



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
₱12,000,000,000.00
to be Offered in One or Several Tranches**

**First Tranche of the Fixed Rate Retail Bonds:
₱3,000,000,000.00 with an Oversubscription Option
of up to ₱2,000,000,000.00**

consisting of

**4-Year Series D Fixed Rate Retail Bonds due 2030 at 6.5080% p.a.
7-Year Series E Fixed Rate Retail Bonds due 2033 at 7.6280% p.a.**

at an Issue Price of 100% of Face Value

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

The date of this Prospectus is 3 February 2026.

Sole Issue Manager



Joint Lead Underwriters and Bookrunners



**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.**

China Banking Corporation through its 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 and a Joint Lead Underwriter and Bookrunner for this Offer. However, the Trustee is separate and independent from the Sole Issue Manager and this Joint Lead Underwriter and Bookrunner.

**Office Address**

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35th Floor Century Diamond Tower
Century City, Kalayaan Ave.
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Contact Numbers

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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 ₱12,000,000,000.00 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 Program**”). 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 5 December 2025.

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**”).

The first tranche to be issued from the ₱12,000,000,000.00 Debt Securities Program consists of unsecured Philippine Peso-denominated fixed rate bonds with an aggregate principal amount of ₱3,000,000,000.00, with an Oversubscription Option of up to ₱2,000,000,000.00 (the “**Offer**”, and the bonds subject of the Offer, the “**Bonds**”) to be issued on 20 February 2026 (the “**Issue Date**”), or such other date as may be agreed upon by the Issuer and the Joint Lead Underwriters and Bookrunners. The Bonds are comprised of 6.5080% p.a. four (4)-year fixed rate bonds (the “**Series D Bonds**”) and 7.6280% p.a. seven (7)-year fixed rate bonds (the “**Series E Bonds**”). The succeeding issuances are proposed to be issued under a shelf registration within five (5) 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 on May 20, August 20, November 20, and February 20 of each year while such 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 20 February 2030 and 20 February 2033 for the Series D Bonds and Series E Bonds, respectively (see “Description of the Bonds” – “Redemption and Purchase” on page 101).

The Bonds have been rated **AA+** with a **Positive Outlook** by Credit Rating Investors Services Philippines Inc. (“**CRISP**”) on 3 December 2025. CRISP reaffirms AA+ rating with a Positive Outlook based on the following factors:

1. Diversified Market Portfolio; Expanding in High-Demand Housing Sector;

2. Established Foothold in the Vertical Housing Market;
3. Resilient Financial Position; and
4. Well-managed debt.

CRISP assigned a Positive Outlook, indicating a possible upgrade in FY 2026 should CPGI develop a realistic and deliverable marketing program to enhance its market position in the affordable horizontal housing market. CRISP also views the twin objectives of affordability and profitability as essential elements of CPGI's business model and marketing strategy.

CPGI expects to raise gross proceeds amounting to ₱3,000,000,000.00 prior to the exercise of the Oversubscription Option, and the net proceeds are estimated to be approximately ₱2,940,142,332.50 after deducting fees, commissions, and expenses relating to the issuance of the Bonds. If the Oversubscription Option of ₱2,000,000,000.00 is fully exercised, then the total net proceeds of the Offer will be ₱4,910,142,332.50 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) to fund capital expenditures for an existing CLC Premium residential development, and (ii) to fund capital expenditures for new PPHI housing developments (see "Use of Proceeds" on page 84).

The Sole Issue Manager and the Joint Lead Underwriters and Bookrunners shall receive a fee of 0.75% on the final aggregate nominal principal amount of the Bonds issued. This shall be inclusive of all the fees to be paid to the Sole Issue Manager, the Joint Lead Underwriters and Bookrunners, and any fees to be ceded to participating underwriters and selling agents, if any. The use of proceeds for each of the succeeding Tranches after the Series D and Series E Tranches will be set out in the relevant Offer Supplements.

The Bonds shall be offered to the public at face value through the Joint Lead Underwriters and Bookrunners. 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 ₱50,000.00 each, as a minimum and in multiples of ₱10,000.00 thereafter, and traded in denominations of ₱10,000.00 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 12 December 2025, 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 ₱12,000,000,000.00 under the Debt Securities Program, inclusive of the Offer. The SEC issued a pre-effective letter on 15 January 2026, favorably considering the Issuer's registration statement relating to its Debt Securities Program, subject to certain conditions. 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 prior to the start of the Offer Period.

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 declares dividends yearly, either through Cash or Stock, to shareholders of record, which are paid from CPGI'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 20% 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. CPGI's dividend policy is discussed further in the section "Market Price of and Dividends on Common Equity and Related Stockholder Matters" on page 204. The Subsidiaries do not have a stated dividend policy.

CPGI confirms that this Prospectus contains all material information relating to the Company and its Subsidiaries, 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), and are 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 in 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 Joint Lead Underwriters and Bookrunners and the Trustee assume 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 Joint Lead Underwriters and Bookrunners, 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 Joint Lead Underwriters and Bookrunners, 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.

Subject to the obligation of the Joint Lead Underwriters and Bookrunners under applicable laws and regulations to conduct due diligence on the Issuer and to the fullest extent permitted by law, none of the Issuer’s advisors or the Joint Lead Underwriters and Bookrunners, the Trustee or any of their respective affiliates, directors or advisors accepts any responsibility for the contents of this Prospectus. Each of the Joint Lead Underwriters and Bookrunners, the Trustee, and their respective affiliates, directors, and 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 Joint Lead Underwriters and Bookrunners, the Trustee, and their respective affiliates, directors, and 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, the Joint Lead Underwriters and Bookrunners, or the Trustee.

No dealer, salesman, or other person has been authorized by CPGI and the Joint Lead Underwriters and Bookrunners 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 the Joint Lead Underwriters and Bookrunners.

The prices of securities can and do fluctuate, and any individual security may experience upward or downward movements and may even lose all or part of its value over time. There is an inherent risk that losses may be incurred rather than profits be 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 the Company, its subsidiaries and their business and operations; and
- The nature of the Bonds, the absence of a liquid secondary market, market volatility, and other risks relating to the Offer.

For more information on “Risk Factors”, please see page 54.

CPGI is organized under the laws of the Philippines. Its principal office address is at the 35/F Century Diamond Tower, Century City, Kalayaan Avenue, Makati City, Philippines, with telephone number +(632) 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

JOSE MARCO R. ANTONIO
President and CEO

SUBSCRIBED AND SWORN to before me this FEB 03 2026 day of 2026 at Makati City, Metro Manila, affiant exhibiting to me his Tax Identification Number 196-835-917-000.

Doc. No. 65 :
Page No. 14 :
Book No. IV :
Series of 2026.



JUSTIN ANDRE A. SIGUAN

Appointment No. M-323

Notary Public for Makati City

Until December 31 2026

23rd Floor, Century Diamond Tower, Century City,

Kalayaan Avenue corner Salamanca Street,

Barangay Poblacion, Makati City

PTR No. MKT10773628, 01.06.2026 Makati City

Roll No. 90754 / IBP No. 575283 12.29.2025 Makati City

MCLE Compliance No. VIII-0032528 valid until April 14, 2028

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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 and its Subsidiaries operate;
- Changes in laws and regulations that apply to the segment or industry in which CPGI and its Subsidiaries operate; and
- Changes in political conditions in the Philippines.

For further discussion of such risks, uncertainties and assumptions, see “Risk Factors” on page 54 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.

Subject to the obligation of the Joint Lead Underwriters and Bookrunners under applicable laws and regulations to conduct due diligence on the Issuer, the Joint Lead Underwriters and Bookrunners do not take any responsibility for, or give any representation, warranty or undertaking in relation to, any 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 Joint Lead Underwriters and Bookrunners expressly disclaims 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 statement.

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.
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.
Articles of Incorporation or AOI	The Company's Articles of Incorporation, as amended.
Balikbayans	Former Filipino citizens who have returned to the Philippines.
Beneficial Owner	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: 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 or the Board	Board of Directors of CPGI.
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, the Sole Issue Manager, and the Joint Lead Underwriters and Bookrunners, 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	Collectively, the SEC-registered unsecured Philippine Peso-denominated Series D Bonds due 2030 and Series E Bonds due 2033, in the aggregate principal amount of ₱3,000,000,000.00, with an Oversubscription Option of up to ₱2,000,000,000.00 which shall be issued by CPGI on Issue Date.
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.
BSP	Bangko Sentral ng Pilipinas, the central bank of the Philippines.
Building Code	Republic Act No. 6541 as amended by Presidential Decree No. 1096, also known as the National Building Code of the Philippines.
Business Day	A day, other than a public non-working holiday, Saturday, or Sunday, on which the BSP's Philippine Payment and Settlement System (PhilPaSS) and the Philippine Clearing House Corporation (PCHC) (or, in the event of the discontinuance of their respective functions, their respective replacements) are open and available for clearing and settlement, and banks are generally open for business in Metro Manila, Philippines.
By-Laws	The Company's By-Laws, as amended.
CCC	Century Communities Corporation.
CCDC	Century City Development Corporation.
CDLC	Century Destinations and Lifestyle Corp. (formerly known as Century Properties Hotel and Leisure, Inc.).
Chinabank Capital	China Bank Capital Corporation.
Civil Code	Republic Act No. 386 or the Civil Code of the Philippines, as amended.
CLC	Century Limitless Corporation.
Corporate Sureties	Century Limitless Corporation, Century City Development Corporation, Century Communities Corporation, Century Properties Management, Inc, PHirst Park Homes Inc., and/or any successor entity pursuant to the Suretyship Agreement.
CPC	Century PHirst Corporation
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.
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, as provided by applicable SEC rules and regulations, effective at the time of issuance, with an aggregate amount of ₱12,000,000,000.00.
DENR	Philippine Department of Environment and Natural Resources.
DHSUD	Philippine Department of Human Settlements and Urban Development.
ECC	Environmental Compliance Certificate
e-SIP	The e-Securities Issue Portal established and maintained by the PDS Group.
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.
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.
HLURB	Housing and Land Use Regulatory Board.

HSAC	Human Settlements Adjudication Commission.
Interest Payment Dates	20 May 2026 for the first Interest Payment Date and on August 20, November 20, February 20 and May 20 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: Series D Bonds: 6.5080% p.a. Series E Bonds: 7.6280% p.a.
IPOPHL	Intellectual Property Office of the Philippines
Issue Date	20 February 2026, or such other date as may be agreed upon in writing by the Issuer and the Joint Lead Underwriters and Bookrunners.
Issue Management and Underwriting Agreement	Issue Management and Underwriting Agreement dated 3 February 2026 between the Company, the Sole Issue Manager, and the Joint Lead Underwriters and Bookrunners.
Issue Price	100% of face value.
Joint Lead Underwriters and Bookrunners	Collectively, China Bank Capital Corporation and PNB Capital and Investment Corporation.
LEED	Leadership in Energy and Environmental Design.
Lien	(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	means the holder or holders of more than 50% of the principal amount the Bonds then outstanding at the relevant time under the Debt Securities Program, regardless of the Tranche in which the Bonds may be issued; provided, that in respect of any matter pertaining to matters relating to the

	relevant Series or Tranche of Bonds, only the concerned Bondholders of a particular Series or Tranche will be considered for quorum and approval purposes in any meeting in which any such matter is presented for resolution.
Master Certificate of Indebtedness	The certificate issued by the Issuer to the Trustee for the benefit of the Bondholders, evidencing and covering such amount corresponding to the aggregate principal amount of each Tranche of the Bonds.
Maturity Date	20 February 2030 and 20 February 2033 for the Series D Bonds and the Series E Bonds, respectively, 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.
Meridien	Meridien Group of Companies.
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 97.
Offer Period	Commencing at 9:00 a.m. on 6 February 2026 and ending at 5:00 p.m. on 12 February 2026 or such earlier or later day as may be mutually agreed upon by the Issuer and the Joint Lead Underwriters and Bookrunners.
Offer Supplement	The specific terms of the Debt Securities for each succeeding Tranche after the Series D and Series E Tranches 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 Account	The account to be opened and maintained by the Paying Agent with such Payment Account Bank designated by the Issuer and solely managed by the Paying Agent, in trust and for the irrevocable benefit of the Bondholders, into which the Issuer shall deposit the amount of the interest and/or principal payments due on the Outstanding Bonds on a relevant date and exclusively used for such purpose, the beneficial ownership of which shall always remain with the 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	The 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.
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 or PFRS Accounting Standards	Philippine Financial Reporting Standards Accounting Standards.
PIC	Philippine Interpretations Committee.
PNB Capital	PNB Capital and Investment Corporation.
PPHI	PHirst Park Homes Inc.
Prospectus	This Prospectus together with all its annexes, appendices, and amendments, if any.
PSA	Philippine Standards on Auditing.
PSE	The Philippine Stock Exchange, Inc.
PSRE	Philippine Standard on Review Engagements.
RA 4726	Republic Act No. 4726 or the Condominium Act.
RA 10667	Republic Act No. 10667 or the Philippine Competition Act, also referred to as the PCA.
RA 11201	Republic Act No. 11201 or the Department of Human Settlements and Urban Development Act.
Record Date	(a) Two (2) Business Days immediately 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 (b) 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 3 February 2026 between the Company and the Registrar and Paying Agent.
SEC	Philippine Securities and Exchange Commission and its successor agency/ies.
Series D Bonds	The Bonds to be issued by the Issuer, having a term beginning on the Issue Date and ending four (4) years from the Issue Date or on 20 February 2030, with a fixed interest rate equivalent to 6.5080% per annum.
Series E Bonds	The Bonds to be issued by the Issuer, having a term beginning on the Issue Date and ending seven (7) years from the Issue Date or on 20

	February 2033, with a fixed interest rate equivalent to 7.6280% per annum.
SGV & Co.	SyCip Gorres Velayo & Co., the Company's Independent Auditor.
Shelf Period	A period of five (5) 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.
Sole Issue Manager	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	CCDC, CLC, CCC, PPHI, CDLC, and CPMI defined herein as the subsidiaries of the Company.
Suretyship Agreement	The Suretyship Agreement dated 3 February 2026 between the Corporate Sureties and the Trustee.
SyCipLaw	SyCip Salazar Hernandez & Gatmaitan.
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 Law	Republic Act No. 10963, otherwise known as 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 ₱12,000,000,000.00.
Trust Indenture Agreement	Trust Indenture Agreement dated 3 February 2026 between the Company and the Trustee.

Trustee	China Banking Corporation through its Trust and Asset Management Group.
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 39-year track record of delivering innovative luxury, middle-income, and affordable real estate developments. The Company is primarily engaged in the development, marketing, and sale of mid and high-rise buildings and horizontal affordable homes, through Century Properties Premium Residential Developments and PHirst-Home Market Residential Developments (PHirst), respectively. The Company is also engaged in commercial leasing, hotel and property management.

CPGI, formerly East Asia Power Resources Corporation ("**EAPRC**"), was originally incorporated on 23 March 1975 as Northwest Holdings and Resources Corporation. On 26 September 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 PSE, whereby, among other things, CPI acquired 96.99% of EAPRC's common shares and EAPRC acquired all of the Subsidiaries of CPGI.

Currently, the Company has 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. For a complete conglomerate map of the Company and its Subsidiaries, please refer to page 141 of this Prospectus.

As of 30 September 2025, the Company has completed 41 projects which include 36 residential projects, consisting of (a) 18,303 completed residential condominium units with an aggregate gross floor area ("**GFA**") of 1,279,262 sq. m. (inclusive of parking) for its vertical residential developments, and (b) 1,287 single detached homes and town villas with an aggregate GFA of 230,462 sq. m. for its Canyon Ranch, Commune Village at Batulao, and Acqua Town Villas developments.

CPGI also has five (5) commercial leasing projects with 1,286 units and gross leasable area ("**GLA**") of 146,675 sq. m. These include the Century City Mall, Centuria Medical Makati, Asian Century Center, Century Diamond Tower and Novotel Suites Manila.

Over the years, CPGI has steadily expanded its businesses by carefully shifting to new product offerings which allow the Company to diversify its revenue base. With the launch of its PHirst housing projects and Century Premium residential development projects, the Company has grown its PHirst segment revenue contribution to 69% for the nine-month period in 2025 from 11% for the year 2018. Additionally, the revenue contribution of its Century Premium segment has increased to 22% for the nine-month period in 2025.

The Company is expanding rapidly in the affordable housing market. Its current projects located in Tanza, Cavite; Lipa, Batangas (2); San Pablo, Laguna; Pandi, Bulacan; Calamba, Laguna; Nasugbu, Batangas (2); Magalang, Pampanga; General Trias, Cavite; Tayabas, Quezon; Baliwag, Bulacan; Naic, Cavite; Balanga, Bataan; Gapan; Nueva Ecija; have enjoyed tremendous success, with 53% of its 50,265 units of inventory already pre-sold as of 30 September 2025.

The price of homes under PHirst ranges ₱850,000 to ₱6 Million, and currently, 82% of its buyers are first time end users, catering to the more than 6 Million home backlogs per government statistics.

Since its entry into the horizontal affordable housing development market in 2017 through PHirst Park Homes (formerly CPGI's joint venture with Mitsubishi Corporation), the Company has already launched 32 master-planned communities and completed 16,057 homes as of 30 September 2025.

In addition, the Company has completed 19 buildings consisting of 4,128 units with an aggregate GFA of 548,262 sq. m. 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.

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 30 September 2025, CPMI manages 63 projects with a total of 98 buildings and 22 villages and a total GFA of 7.075 million sq. m. (inclusive of parking) under management.

Of the total CPMI projects under management, 48% 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, Pacific Star Building in Makati City, Philippine National Bank, Financial Center in Pasay City, Amoa by Aboitiz Land in Compostela, Cebu, Seafront Residences by Aboitiz Land in San Juan, Batangas, and Avida Settings Cavite in Bacoor, Cavite.

Completed Projects as of 30 September 2025

Residential Projects

Residential Projects	Location	Type	GFA in sq. m. (with parking)	Units	Year Completed
Century City					
Gramercy Residences	Makati City	Residential	121,595	1,434	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
Century Spire	Makati City	Residential/Office	92,138	552	2022
Subtotal			421,257	4,098	
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	736	2015
Dettifoss	Mandaluyong City	Residential	36,536	607	2016
Livingstone	Mandaluyong City	Residential	40,251	675	2016
Iguazu	Mandaluyong City	Residential	36,367	492	2018
Acqua Tower 6	Mandaluyong City	Residential	13,531	185	2019
Hotel Residences at Acqua	Mandaluyong City	Residential	10,899	158	2019
Acqua Town Villas	Mandaluyong City	Residential	6,349	10	On-going (10 out of 22 units have been completed as of September 2025)
Subtotal			219,348	3,337	
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
Quezon South	Quezon City	Residential	38,341	687	2022
Subtotal			192,245	3,254	
Canyon Ranch					
Phase 1 & 2	Carmona, Cavite	Residential	166,896	779	Per house
Moderno	Carmona, Cavite	Residential	25,304	146	Per house
Subtotal			192,200	925	
The Resort Residences at Azure North					
Monaco	Pampanga	Residential	43,063	801	2021
Bali	Pampanga	Residential	43,063	806	2021
Barbados	Pampanga	Residential	40,627	820	2025

Subtotal			126,752	2,427	
Commune Village at Batulao	Batangas	Residential	31,914	352	Per house
Grand Total			1,520,624	19,748	

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	708*	2015
Asian Century Center	BGC, Taguig City	Office Building	30,584	55	2018
Century Diamond Tower	Makati City	Office Building	57,142	221	2019
Novotel Suites Manila	Mandaluyong City	Hotel	12,538	152	2022
Total			146,675	1,286	

*561 units sold, 147 units for lease

Sold Residential Business Projects as of 30 September 2025

Project	Location	No. of Units Inventory	No. of Units Sold	% Sold	Total Sales Value (P millions)	Sold Revenues (P millions)	Remarks
IN-CITY VERTICAL DEVELOPMENTS / CENTURY PREMIUM							
A. COMPLETED IN-CITY VERTICAL DEVELOPMENTS							
Century City	Makati City	4,098	4,076	99.5%	34,216	33,495	Unsold units are mostly in Century Spire, the last tower which is already completed.
Azure Urban Resorts Residences	Parañaque City	5,355	5,342	99.8%	22,740	22,559	Unsold units are mostly the retail units in Maui and a few residential units in Bahamas
The Resort Residences at Azure North	San Fernando, Pampanga	2,427	2,409	99.3%	10,904	10,638	Bali and Monaco are already completed. Barbados, the last tower, is expected to be completed in 2025.
Acqua Residences	Mandaluyong City	3,327	3,293	99.0%	18,786	17,974	Unsold units are mostly in Hotel Residences at Acqua.
Commonwealth	Quezon City	3,254	3,223	99.0%	13,180	12,924	Unsold units are mostly in Quezon South, the last tower which is already completed.
Commune Village at Batulao	Nasugbu, Batangas	485	362	74.6%	3,398	2,384	Completed 352 units.
Canyon Ranch	Carmona, Cavite	925	914	98.8%	3,697	3,633	Substantially sold and completed.
SUB-TOTAL		19,871	19,619	98.7%	106,922	103,607	
B. ON-GOING CENTURY PREMIUM RESIDENTIAL DEVELOPMENTS							
Mykonos at Azure North (MRB)	San Fernando, Pampanga	374	153	40.9%	2,744	1,159	Launched in February 2025.

Project	Location	No. of Units Inventory	No. of Units Sold	% Sold	Total Sales Value (P millions)	Sold Revenues (P millions)	Remarks
Azure North Town Villas	San Fernando, Pampanga	49	29	59.2%	1,279	672	Launched in September 2025.
Acqua Town Villas	Mandaluyong City	22	20	90.9%	1,279	672	Launched in October 2022.
SUB-TOTAL		445	202	45.4%	5,302	2,504	
TOTAL		20,316	19,821	97.6%	112,223	106,110	
FIRST-HOME MARKET RESIDENTIAL DEVELOPMENTS							
PHirst Park Homes	Tanza, Cavite	2,877	2,808	97.6%	4,794	4,593	Phases 1 & 2 were launched in 2017 and Phase 3 in 2019; 2,821 houses are completed as of September 2025, Phase 1 is 99% sold, Phase 2 is 98% sold, Phase 3 is 85% sold.
PHirst Park Homes	Lipa, Batangas	1,867	1,615	86.5%	3,313	2,711	1,682 houses are completed as of September 2025, Phase 1 is 99% sold, Phase 2 is 98% sold, Phase 3 is 85% sold.
PHirst Park Homes	San Pablo, Laguna	1,640	1,607	98.0%	2,887	2,828	Phase 1 was launched in Q1 2019, 96% sold; Phase 2 was launched in Q2 2019, 85% sold; Phase 3 was launched in Q2 2021, 47% sold. 1,607 completed houses as of September 2025
PHirst Park Homes	Pandi, Bulacan	1,377	1,254	91.1%	2,591	2,368	Phases 1 and 2 were launched in Q4 2019; Phase 1 is 92% sold, Phase 2 is 94% sold, Phase 3 is 87% sold; 1,224 completed houses as of September 2025
PHirst Park Homes	Calamba, Laguna	1,501	1,450	96.6%	2,701	2,608	Phase 1 was launched in Q4 2019, 96% sold; Phase 2 in Q1 2021, 51% sold; 1,493 completed houses as of September 2025.
PHirst Park Homes	Nasugbu, Batangas	2,157	2,137	99.1%	5,359	5,307	Phase 1A was launched in Q4 2019, 97% sold. Phase 1B was launched in Q3 2020, 95% sold, Phase 2 was launched in Q1 2021, 82% sold; 1,363 completed houses as of September 2025.

Project	Location	No. of Units Inventory	No. of Units Sold	% Sold	Total Sales Value (P millions)	Sold Revenues (P millions)	Remarks
PHirst Park Homes	Magalang, Pampanga	1,079	1,074	99.5%	1,904	2,006	Phase 1 was launched in Q4 2020, 71% sold; 1,046 completed houses as of September 2025.
PHirst Park Homes	Gen. Trias, Cavite	1,660	1,449	87.3%	3,537	3,098	Phase 1 was launched in Q3 2021. Phase 2 was launched in March 2022, 98% sold. Phase 3 was launched in Q4 2021, 36% sold; 834 completed houses as of September 2025.
PHirst Park Homes	Tayabas, Quezon	2,050	1,063	51.9%	3,751	1,769	Phase 1A was launched in Q3 2021; Phase 2 was launched Q4 2023; 947 completed houses as of September 2025.
PHirst Park Homes	Baliwag, Bulacan	1,551	1,456	93.9%	2,786	2,889	Phase 1A was launched in Q3 2021, 93% sold. Phase 2 was launched in Q3 2022, 26% sold; 825 completed houses as of September 2025.
PHirst Park Homes	Naic, Cavite	2,513	1,187	47.2%	4,537	2,277	Phase 1A was launched in Q4 2021; Phase 2 was launched Q1 2023; 276 completed houses as of September 2025.
PHirst Park Homes	Balanga, Bataan	1,079	481	44.6%	1,973	858	Phase 1 was launched in Q2 2022; 319 completed houses as of September 2025.
PHirst Park Homes	Gapan, Nueva Ecija	1,609	327	20.3%	3,441	615	Phase 1 was launched in late December 2022; 148 completed houses as of September 2025.
PHirst Editions	Nasugbu, Batangas	629	587	93.3%	3,061	2,914	Phase 1 was launched in October 2022; Phase 2 was launched in Q1 2023; 167 completed houses as of September 2025.
PHirst Sights	Bay, Laguna	2,263	2,010	88.8%	3,026	2,435	Phases 1 and 2 were launched in December 2022; 1,000 completed houses as of September 2025.
PHirst Centrale	Hermosa, Bataan	1,574	257	16.3%	3,115	504	Phase 1 was launched in late December 2022; 191 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 2025.
Hermosa Fairgrounds	Hermosa, Bataan	49	-	-	1,435	-	Launched in December 2022.
PHirst Park Homes	San Pablo East	2,866	189	6.6%	6,643	363	Launched in October 2024
PHirst Park Homes	Pandi Expansion	597	158	25.6%	1,599	363	Launched in June 2025
PHirst Park Homes	Calamba West	1,644	633	38.5%	4,145	1,331	6 completed houses as of September 2025.
PHirst Park Homes	Lipa Cove	1,116	596	53.4%	2,077	1,194	46 completed houses as of September 2025.
PHirst Park Homes	Impressions Batulao Exp	656	118	18.0%	1,947	294	Launched in October 2024
PHirst Editions	Edition Batulao Vol.2 West	496	378	76.2%	2,656	1,779	2 completed houses as of September 2025.
PHirst Park Homes	Sto. Tomas	2,206	314	14.2%	8,838	730	Launched in September 2024
PHirst Park Homes	Baliwag Expansion	1,050	177	16.9%	2,461	416	Launched in March 2025
PHirst Park Homes	Bacolod	1,726	655	37.9%	3,246	1,110	60 completed houses as of September 2025.
PHirst Park Homes	Magalang East	2,408	238	9.9%	5,769	631	Launched in October 2024
PHirst Park Homes	Impressions Gentry	1,538	264	17.2%	6,557	708	Launched in June 2025
PHirst Park Homes	Gensan	2,445	75	3.1%	6,735	142	Launched in August 2025
PHirst Park Homes	Edition Batulao Vol.2 East	753	38	5.0%	3,638	110	Launched in December 2023
PHirst Sights	Calauan	2,229	1,178	52.8%	3,239	1,438	Launched in March 2024
PHirst Park Homes	Batulao Imp	1,060	927	87.5%	2,815	2,046	Launched in 2023
TOTAL		50,265	26,700	53.1%	116,576	52,435	
GRAND TOTAL		70,581	46,521	65.9%	228,800	158,546	

The Company has a land bank for future development of 294.9 hectares consisting of in-city and provincial properties for its future mid-rise buildings, leasing and horizontal affordable housing projects in various locations in Quezon City, Mandaluyong City, Bulacan, Pampanga, Bataan, Batangas, Cavite, Nueva Ecija, General Santos, and Palawan.

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 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 58 countries and, as a result, a significant portion of its 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 horizontal 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 distribution network of 3,661 sales agents, including 3,012 commission-based sales agents and 649 subsidized sales agents as of 31 December 2025. For fiscal year 2026, the Company expects to accredit 691 sales agents and brokers, classified as casual sellers..

For calendar years ended 31 December 2022, 2023, 2024 and for the nine (9)-month period ended 30 September 2025, revenue was ₱11,127 Million, ₱12,701 Million, ₱14,640 Million and ₱12,312 Million, respectively, and net income was ₱1,405 Million, ₱1,855 Million, ₱2,443 Million, and ₱2,105 Million, respectively. As of 30 September 2025, the Company had total assets of ₱60,852 Million, and total equity of ₱23,469 Million (excluding non-controlling interest).

Considering that the Company is subject to foreign ownership restrictions on account of its land ownership, the Company is limited to a maximum of 40% foreign ownership of both the total issued and outstanding capital stock entitled to vote and the total number of issued and outstanding capital stock, whether or not entitled to vote.

RECENT DEVELOPMENTS

2025

CPGI Welcomes SSS as Anchor Investor

On 17 July 2025, the Social Security System ("SSS") acquired a strategic stake in the company through a block sale, marking a significant milestone for CPGI. CPI, the majority shareholder of CPGI, sold 740,740,741 common shares, with a transaction value of ₱500 Million, to SSS. This acquisition represents about 6.39% ownership in CPGI. SSS acquired the shares at a 4.93% discount to CPGI's current market price and is expected to get a dividend yield of approximately 7.8% plus potential capital appreciation. China Bank Capital Corporation acted as the advisor and arranger for this transaction.

Merger of Century PHirst Corporation with PHirst Park Homes Inc.

In February 2025, the Board of Directors of both PPHI and Century PHirst Corporation ("CPC") approved the merger of the two entities with PPHI as the surviving entity. On 31 July 2025, the SEC approved the merger of CPC with PPHI. These expansion efforts of PPHI bring forth a broader range of housing packages and price points to provide first-time home buyers with a wider set of options to acquire their very own home.

2024

Public Offering of Preferred Shares

On 22 February 2024, CPGI completed the primary offering of 20 Million perpetual, cumulative, non-participating, non-voting, redeemable, non-convertible Series B Preferred Shares (“**CPGPB**”) worth an aggregate issue amount of ₱2 Billion at an offer price of ₱100 per share. CPGPB was listed and traded on the Main Board of the PSE with an initial Dividend Rate of 7.5432% per annum. China Bank Capital Corporation acted as the sole issue manager, lead underwriter, and bookrunner for the transaction.

PHirst Park Homes Inc. Acquisition of Shares in Century PHirst Corporation

In November 2024, PPHI acquired all of the outstanding capital of CPC.

Redemption of Fixed Rate Retail Bonds

On 1 March 2024, CPGI redeemed its ₱3 Billion Fixed Rate 3-Year Bonds with a coupon rate of 4.8467% per annum issued on 1 March 2021.

Rating Agency Reaffirms Century Properties' Strong Credit Score

On 16 April 2024, CPGI's credit rating of “AA+” has been reaffirmed by CRISP, citing sustained market position and continued revenue growth. CRISP stated that CPGI's diversified market portfolio has enabled the company to maintain its position in a competitive market. It also recognized the CPGI's strategic entry into the horizontal affordable housing development market which has positioned it comfortably for further expansion and highlighted the company's healthy financial position with continued growth in core revenues and a strong recovery from the downturn.

2023

Issuance of ₱3 Billion Fixed Rate Retail Bonds

On 17 March 2023, CPGI issued and listed with the PDEX a total of ₱3,000,000,000.00 Fixed Rate Retail Bonds comprising of 6.5760% per annum three (3) year fixed rate bonds (“**Series A Bonds**”), 7.4054% per annum five (5) year fixed rate bonds (“**Series B Bonds**”) and 7.6800% per annum seven (7) year fixed rate bonds (“**Series C Bonds**”). The bond issuance is the second tranche of the Company's ₱6,000,000,000.00 Debt Securities Program registered with the SEC under SEC Order No. 5, Series of 2022. The bonds have been rated “AA+” by CRISP.

The proceeds from the issuance of the bonds were used primarily: (i) to partially finance the redemption of CPGP Preferred Shares with dividend rate of 6.7177%; (ii) to fund capital expenditures for new horizontal affordable housing developments; and (iii) to fund general corporate requirements.

Acquisition of Shares of Mitsubishi Corporation in PHirst Park Homes Inc.

On 31 May 2023, the Board of Directors of CPGI approved the acquisition of the 40% shareholdings or One Billion Sixty Million (1,060,000,000) common shares with a par value of One Peso (₱1.00) per share and Two Hundred Sixty-Five Thousand (265,000) Preferred B shares with a par value of One Thousand Pesos (₱1,000.00) per share of Mitsubishi Corporation in PPHI. The Philippine Competition Commission has approved the above transaction on 9 August 2023.

PPHI was incorporated on 31 August 2018 and is the first-home division and brand of CPGL. Its projects are located within the fringes of Metro Manila, and its target market is first-time homebuyers. Its current projects are located at Lipa and Batulao in Batangas, San Pablo and Calamba in Laguna, Naic, General Trias and Tanza in Cavite, Baliwag and Pandi in Bulacan, Tayabas in Quezon, Magalang in Pampanga, Balanga in Bataan and Gapan Nueva Ecija, which involve a multi-phase horizontal residential property and offer both Townhouse units & Single Attached units. PPHI is a joint venture project between Century Properties Group Inc. and Mitsubishi Corporation with a 60-40% shareholding, respectively.

On 24 November 2023, the Company concluded the acquisition of 40% shareholdings or One Billion Sixty Million (1,060,000,000) common shares at ₱1.09 per share and Two Hundred Sixty-Five Thousand (265,000) Preferred B shares at ₱1,085.28 per share of Mitsubishi Corporation, with a total acquisition price of One Billion Four Hundred Thirty-Eight Million Pesos Only (₱1,438,000,000.00) paid in cash. A Deed of Absolute Sale of Shares was executed by Mitsubishi Corporation in favor of CPGL.

Redemption of ₱3 Billion Preferred Shares

On 10 July 2023, CPGL fully redeemed its ₱3,000,000,000.00 cumulative, non-voting, non-convertible, non-participating, non-convertible, redeemable Peso-denominated Preferred Shares ("**CPGP Preferred Shares**") issued by the Company and listed on the PSE on 10 January 2020.

The Company's Board of Directors approved the optional redemption of the CPGP Preferred Shares in its special board meeting last 12 May 2023. The CPGP Preferred Shares were redeemed at the redemption price of One Hundred Pesos (₱100.00) per share, pursuant to the terms set out in the Prospectus dated 12 December 2019.

Century PHirst Corporation

On 23 February 2023, CPGL announced the expansion of its first home market residential offerings through CPC, a wholly owned subsidiary of Century Limitless Corporation ("**CLC**"). Through CPC, CPGL will, by itself, be venturing into the socialized, economic, and mid-income residential markets. CLC is a wholly owned subsidiary of CPGL.

CPC's flagship projects are: (1) PHirst Editions Batulao located in Nasugbu, Batangas, which was launched in October 2022; (2) PHirst Sights Bay in Laguna, which was launched in December 2022; (3) PHirst Centrale Hermosa in Bataan, which was launched in December 2022 (PHirst Fairgrounds) and May 2023 (PHirst Impressions); and (4) PHirst Sights Calauan which was launched in May 2024.

PHirst Editions Batulao, CPC's maiden middle-income development, is a horizontal residential project in Nasugbu, Batangas and is located adjacent to the existing PHirst Park Homes Batulao community. PHirst Editions Batulao spans 14 hectares and will house 629 single attached and single detached units with a project sales value of ₱3.1 Billion for middle income, priced from ₱3.2 Million to ₱6 Million.

PHirst Sights Bay in Laguna with 2,263 houses valued at ₱3.02 Billion is a project that will cover segments from socialized housing with units priced at ₱580,000.00, and economic housing with units ranging from ₱800,000.00 to ₱1.7 Million.

To round up its expansion plan, CPC also ventured into PHirst Centrale Hermosa, its first mixed-use township in Bataan, which will have multiple residential product offerings and will support commercial, retail, and institutional components. Launched in May 2023, PHirst Impressions Centrale Hermosa is a townhouse development that occupies 15.6 hectares with

1,574 units valued at around ₱3.1 Billion. Unit prices range from ₱1.7 to ₱ 2.5 Million. Alongside PHirst Impressions is PHirst Fairgrounds, PHirst Centrale Hermosa's commercial component launched in December 2022. This 3.5-hectare development offers lot cuts ranging from 503 to 1,531 sq.m., with the first phase valued at ₱1.4 Billion.

On 31 July 2025, the SEC approved the merger of CPC with PPHI.

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 sales platform
- Experienced management team

A more detailed discussion of the Company's "Key Investment Highlights" may be found on page 143 of this Prospectus.

BUSINESS STRATEGY

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

- Leveraging "Twin Engine" growth strategy
- Geographic expansion to achieve nationwide presence
- Maintain a stable and positive operating cashflow and recurring earnings from commercial leasing portfolio

A more detailed discussion of the Company's "Business Strategy" can be found on page 147 of this Prospectus.

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:

- 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;
 - 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;
 - 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 joint venture 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;
- The Company may not be able to hire independent contractors that meet its requirements;
- 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;
- 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;
- The adoption of new accounting standards may have an impact on the Company's financial statements;
- The Company is subject to certain debt covenants;

- The Company may, 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.
- 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;
 - Future public health epidemics or outbreaks of disease
 - 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 Bonds, due to the following:
 - The Company may be unable to redeem the Bonds;
 - Liquidity risk;
 - Pricing risk;
 - Retention of ratings risk; and
 - Bonds have no preference under Article 2244(14)(a) of the Civil Code.

For more information on "Risk Factors", please see page 54.

SUMMARY 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 30 September 2025 and for the nine-month periods ended 30 September 2025 and 2024, and its audited consolidated financial statements as of 31 December 2024, 2023, and 2022 and for the years ended 31 December 2024, 2023, and 2022. 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 Engagements ("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") Accounting Standards and were audited by SGV & Co., in accordance with Philippine Standards on Auditing ("PSA").

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

In Million Pesos (P)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Revenue					
Real estate sales	11,130	9,303	12,759	10,795	9,231
Leasing revenue	620	899	1,191	1,293	1,362
Property management fee and other services	400	321	464	463	423
Hotel Services	92	70	122	57	0
Interest income from real estate sales	70	98	104	94	109
Total Revenue	12,312	10,690	14,640	12,701	11,127
Cost					
Cost of real estate sales	5,855	4,923	6,783	6,013	5,607
Cost of leasing	221	290	437	438	441
Cost of services	261	235	346	321	268
Total Costs	6,337	5,448	7,566	6,772	6,316
Gross Profit	5,975	5,242	7,074	5,929	4,810
General, administrative and selling expenses	3,113	2,611	3,704	3,351	2,771
Other Income (Expenses)					

In Million Pesos (P)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Interest and other income	998	918	1,085	798	469
Gain on change in fair value of investment properties	27	(129)	(164)	27	28
Share in net earnings of JVs and associate	0	0	1	2	4
Interest and other financing charges	(1,059)	(1,092)	(1,452)	(1,208)	(917)
Foreign exchange loss (gain)	0	0	0	(0)	1
Total Other Income (Expenses)	(34)	(303)	(530)	(381)	(415)
Income Before Tax	2,828	2,328	2,840	2,197	1,624
Provision for Income Tax	723	559	397	342	219
Net Income	2,105	1,769	2,443	1,855	1,405
Other Comprehensive Income					
Net change in fair value of equity instruments at fair value through OCI	–	–	(2)	–	–
Remeasurement (Loss) Gain on Defined Benefit Plan	–	–	24	(22)	64
Total Comprehensive Income	2,105	1,769	2,465	1,833	1,469

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

In Million Pesos (P)	As of 30 September (Unaudited)	As of 31 December (Audited)		
	2025	2024	2023	2022
ASSETS				
Current Assets				
Cash and cash equivalents	2,882	4,175	3,543	4,131
Short-term investments	5	5	18	37
Receivables	13,823	11,454	10,646	9,845
Real estate inventories	19,565	17,194	18,832	17,724
Due from related parties	1,279	1,358	1,566	975
Advances to suppliers and contractors	1,930	1,630	1,662	1,750

In Million Pesos (₱)	As of 30 September (Unaudited)	As of 31 December (Audited)		
	2025	2024	2023	2022
Prepayments and other current assets	2,428	1,962	1,680	1,642
Total Current Assets	41,912	37,778	37,947	36,104
Noncurrent Assets				
Real estate receivables –net of current portion	1,272	1,063	1,269	109
Investment in and advances to JV	278	278	277	275
Deposits for purchased land	1,296	1,172	1,117	1,410
Investment properties	11,509	11,415	12,422	12,395
Property and equipment	3,257	3,157	1,373	2,484
Deferred tax assets – net	290	83	48	34
Other noncurrent assets	1,038	924	932	1,120
Total Noncurrent Assets	18,940	18,092	17,438	17,827
TOTAL ASSETS	60,852	55,869	55,385	53,931
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	11,054	7,760	6,220	4,995
Contract liabilities	3,872	5,567	3,873	2,769
Short-term debt	370	963	792	235
Current portion of long-term debt	1,933	1,264	3,852	2,192
Current portion of bonds payable	693	–	3,000	–
Current portion of liability for purchased land	50	3	49	67
Current portion of lease liability	11	–	17	16
Due to related parties	70	70	384	358
Income tax payable	225	140	51	69
Other current liabilities	34	42	74	68
Total Current Liabilities	18,312	15,809	18,312	10,769
Noncurrent Liabilities				
Long-term debt – net of current portion	9,440	8,709	6,500	8,814
Bonds payable – net of current portion	5,242	5,907	5,877	5,917
Liability for purchased land – net of current portion	676	–	–	64
Lease liability – net of current portion	56	–	17	12
Pension liabilities	324	301	290	231
Deferred tax liabilities – net	2,292	1,713	2,459	2,542
Other noncurrent liabilities	987	1,250	1,626	1,790
Total Noncurrent Liabilities	19,017	17,880	16,769	19,370
Total Liabilities	37,329	33,689	35,081	30,139
Equity				
Capital stock				
Common Stock	6,201	6,201	6,201	6,201
Preferred Stock	11	11	16	16
Additional paid-in capital	4,491	4,491	5,525	5,525
Treasury shares	(110)	(110)	(3,110)	(110)
Other components of equity	26	26	28	(683)
Retained earnings	12,830	11,487	11,594	10,514

In Million Pesos (₱)	As of 30 September (Unaudited)	As of 31 December (Audited)		
	2025	2024	2023	2022
Remeasurement Loss on Defined Benefit Plan	20	20	(4)	17
Total equity attributable to Parent Company	23,469	22,126	20,250	21,480
Non-controlling interests	54	54	54	2,312
Total Equity	23,523	22,180	20,304	23,792
TOTAL LIABILITIES AND EQUITY	60,852	55,869	55,385	53,931

CONSOLIDATED STATEMENTS OF CASH FLOWS

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)	For the years ended 31 December (Audited)		
	2025	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	2,828	2,840	2,197	1,624
Adjustments for:				
Interest and other financing charges	1,059	1,451	1,208	918
Depreciation and amortization	174	159	82	56
Retirement expense	36	43	43	47
Interest income	(115)	(276)	(250)	(163)
Loss (Gain) from change in fair value of investment properties	(27)	164	(27)	(28)
Share in net earnings of joint ventures and associate	—	(0)	(2)	(4)
Write off advances to related parties	—	—	13	—
Impairment on investment in a joint venture	—	—	—	3
Loss (gain) on sale of investment property	—	—	—	1
Operating income before working capital changes	3,955	4,381	3,264	2,454
Decrease (increase) in:				
Receivables	(2,673)	(2,686)	(1,867)	(184)
Real estate inventories	(1,544)	214	499	127
Advances to suppliers and contractors	(300)	32	88	677
Other assets	(568)	(224)	170	306
Increase (decrease) in:				
Accounts and other payables	3,135	1,540	1,195	(256)
Contract liabilities	(1,695)	1,694	1,104	(280)
Liability from purchased land intended for development	(3)	(46)	(81)	(77)
Other liabilities	(130)	(406)	(154)	(80)
Cash generated by (used in) operations	177	4,498	4,218	2,686
Interest received	44	151	145	53
Interest and other financing costs paid	(1,020)	(1,382)	(1,314)	(1,018)

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)	For the years ended 31 December (Audited)		
	2025	2024	2023	2022
Income taxes paid	(267)	(459)	(452)	(288)
Retirement benefits paid	(13)	-	(10)	(15)
Net cash provided by (used in) operating activities	(1,078)	2,808	2,587	1,418
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from:				
Maturity of short-term investments	-	13	19	996
Sale of investment properties	-	-	-	31
Sale of property and equipment	-	-	-	-
Maturity of investment in bonds	-	-	-	-
Payments for:				
Additions to investment properties	(50)	-	-	(13)
Additions to property and equipment	(192)	(179)	(84)	(160)
Deposits for purchased land	(225)	(55)	(5)	(81)
Intangible assets	(19)	(11)	(13)	-
Additions to short-term investments	-	-	-	-
Collections from (advances to) related parties	79	208	(607)	(443)
Net cash used in investing activities	(407)	(23)	(689)	330
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from:				
Short-term and long-term debt	2,892	5,416	3,613	6,776
Issuance of preferred stock	-	2,000	-	-
Issuance of bonds payable	-	-	3,000	3,000
Additional investment from non- controlling interest	-	-	-	320
Increase (decrease) in liabilities to preferred shareholders of a subsidiary	7	17	8	(30)
Advances received from (made to) related parties	(0)	(314)	26	41
Payments for:				
Short-term and long-term debt	(2,098)	(5,603)	(3,710)	(7,869)
Cash dividends	(602)	(577)	(292)	(202)
Lease liabilities	(7)	(16)	(21)	(29)
Bonds payable	-	(3,000)	-	(3,000)
Deferred financing cost	-	(57)	(109)	(117)
Preferred share issuance cost	-	(19)	-	-
Dividends paid to non-controlling interest	-	-	(500)	(200)
Acquisition of non-controlling interest	-	-	(1,500)	-
Redemption of preferred shares	-	-	(3,000)	-
Net cash provided by financing activities	192	(2,152)	(2,485)	(1,310)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,294)	632	(588)	438
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	4,175	3,543	4,131	3,693

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)	For the years ended 31 December (Audited)		
	2025	2024	2023	2022
CASH AND CASH EQUIVALENTS AT END OF YEAR	2,881	4,175	3,543	4,131

FINANCIAL RATIOS

Please refer to the section entitled “Selected Financial Information” located on page 208 of this Prospectus for further details.

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Net income attributable to the equity holders of the parent company	2,105	1,769	2,443	1,321	901
Dividends declared to preferred shares	113	113	113	101	202
	1,992	1,656	2,330	1,220	699
Weighted average number of shares	11,600	11,600	11,600	11,600	11,600
EPS, basic / diluted (₱)	0.17	0.14	0.20	0.11	0.06
Gross Profit Margin					
Gross Profit	5,975	5,242	7,074	5,929	4,810
Revenue	12,312	10,690	14,640	12,701	11,127
Gross Profit Margin (%)	48.5%	49.0%	48.3%	46.7%	43.2%
NIAT Margin					
Net income	2,105	1,769	2,443	1,855	1,405
Revenue	12,312	10,690	14,640	12,701	11,127
Net Income After Tax (NIAT) Margin (%)	17.1%	16.5%	16.7%	14.6%	12.6%
Return on Asset (ROA)					
Total annualized net income after tax	2,806	2,359	2,443	1,855	1,405
Total asset current year	60,853	56,249	55,870	55,385	53,931
Total asset as of	55,870	55,385	55,385	53,931	54,507

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
beginning of period					
Average total asset	58,362	55,817	55,628	54,658	54,219
ROA (%)	4.8%	4.2%	4.4%	3.4%	2.6%
Return on Equity (ROE)					
Total annualized net income after tax	2,806	2,359	2,443	1,855	1,405
Total equity current year	23,524	21,879	22,181	20,304	23,792
Total equity prior year	22,181	20,304	20,304	23,793	22,351
Average total equity	22,853	21,092	21,243	22,049	23,071
ROE (%)	12.3%	11.2%	11.5%	8.4%	6.1%
Interest coverage ratio					
Total net income after tax	2,105	1,769	2,443	1,855	1,405
Add: Provision for income tax	723	559	397	342	219
Add: Interest expense	992	1,013	1,357	1,089	796
Earnings Before Interest and Taxes (EBIT)	3,820	3,341	4,197	3,286	2,420
Interest expense	992	1,013	1,357	1,089	796
Interest coverage ratio (x)	3.9	3.3	3.1	3.0	3.0

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Debt service coverage ratio					
Total debt service excluding sale of receivables with recourse and refinancing	3,266	6,824	6,925	3,159	6,230
Add: Cash and cash equivalents	2,882	4,818	4,175	3,543	4,131
Cash Before Debt Service	6,148	11,642	11,100	6,702	10,361
Divide: Debt service	3,266	6,824	6,925	3,159	6,230
Debt service coverage ratio (x)	1.9	1.7	1.6	2.1	1.7
Current ratio					
Current Assets	41,912	37,971	37,778	37,948	36,104
Current Liabilities	18,312	16,330	15,809	18,312	10,769
Current ratio (x)	2.3	2.3	2.4	2.1	3.4
Quick Ratio					
Current Assets	41,912	37,971	37,778	37,948	36,104
Inventory	19,565	16,465	17,194	18,832	17,723
Quick Assets	22,347	21,506	20,584	19,116	18,381
Current Liabilities	18,312	16,330	15,809	18,312	10,769
Quick Ratio (x)	1.2	1.3	1.3	1.0	1.7
Debt to equity ratio					
Short-term debt	370	984	963	792	235
Current portion of long-term debt	1,933	1,376	1,264	3,852	2,192
Current portion of bonds payable	693	-	-	3,000	-
Long-term debt – net of current portion	9,440	8,775	8,709	6,500	8,814
Bonds payable – net	5,242	5,900	5,907	5,877	5,917

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
of current portion					
Debt	17,677	17,035	16,844	20,021	17,158
Equity	23,524	21,879	22,181	20,304	23,793
Debt to equity ratio (x)	0.8	0.8	0.8	1.0	0.7
Net debt to equity ratio					
Debt	17,677	17,035	16,844	20,021	17,159
Less: Cash and cash equivalents	2,882	4,818	4,175	3,543	4,131
Net Debt	14,795	12,217	12,669	16,478	13,028
Total Equity	23,524	21,879	22,181	20,304	23,793
Net debt to equity ratio (x)	0.6	0.6	0.6	0.8	0.5
EBITDA					
Net income after tax	2,105	1,769	2,443	1,855	1,405
Provision for income tax	723	559	397	342	219
Income before Income Tax	2,828	2,328	2,840	2,197	1,624
Interest expense	992	1,013	1,357	1,089	796
Depreciation and amortization	174	86	159	82	56
EBITDA	3,994	3,427	4,356	3,368	2,476
Debt					
Debt	17,677	17,035	16,844	20,021	17,159
EBITDA (Annualized for Interim)	5,325	4,569	4,356	3,368	2,476
Debt-to-EBITDA (x)	3.3	3.7	3.9	6.0	6.9
Net Debt	14,795	12,216	12,669	16,478	13,028
EBITDA (Annualized for Interim)	5,325	4,569	4,356	3,368	2,476
Net Debt-to-EBITDA	2.8	2.7	2.9	4.9	5.3
Asset to equity ratio					
Total Assets	60,853	56,249	55,870	55,385	53,931
Total Equity	23,524	21,879	22,181	20,304	23,793

In Million Pesos (P)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Asset to equity ratio (x)	2.6	2.6	2.5	2.7	2.3
Total Liabilities / Total Equity					
Total Liabilities	37,329	34,764	33,689	35,081	30,139
Total Equity	23,524	21,879	22,181	20,304	23,793
Total Liabilities / Total Equity	1.6	1.6	1.5	1.7	1.3

Notes:

- 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.
- 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.
- NIAT Margin is computed by dividing Net income attributable to the owners of the parent company by its Core Revenue.
- Return on assets is calculated by dividing net income (net income for the nine (9)-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).
- Return on equity is calculated by dividing net income (net income for the nine (9)-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).
- Interest coverage ratio is equal to earnings before interest and taxes ("EBIT") divided by interest expenses.
- 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.
- 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.
- 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.
- Debt to EBITDA is calculated by dividing EBITDA (EBITDA for the nine (9)-month period ended September 30 divided by three multiplied by four) for the period by total interest-bearing debt.
- Debt to Equity ratio computed by dividing total interest-bearing debt (includes short-term and long-term debts and bonds payable) by total equity.
- 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.
- Asset-to-equity ratio is total assets over total equity.
- Liabilities-to-equity ratio is total liabilities over total equity.
- EBIT is computed by adding back provisions for income tax and interest expense to the net income for the period.
- 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 after the Series D and Series E Tranches, 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 30 September 2025, 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 30 September 2025	After Giving Effect to the Base Offer ⁽¹⁾	After Giving Effect to the Oversubscription Option ⁽²⁾
	(₱)	(₱)	(₱)
	(Unaudited)		
Total debt ⁽³⁾	17,676,993,821	20,617,093,196	22,586,588,196
Equity:			
Capital stock:			
Common	6,200,853,553	6,200,853,553	6,200,853,553
Preferred	10,600,000	10,600,000	10,600,000
Additional paid-in capital	4,491,448,948	4,491,448,948	4,491,448,948
Treasury shares – 100,123,000 shares	(109,674,749)	(109,674,749)	(109,674,749)
Other components of equity	25,868,234	25,868,234	25,868,234
Retained earnings	12,830,095,494	12,830,095,494	12,830,095,494
Remeasurement loss on defined benefit plan	20,384,170	20,384,170	20,384,170
Total Equity Attributable to Equity Holders of the Parent Company	23,469,575,650	23,469,575,650	23,469,575,650
Non-controlling interest	54,180,394	54,180,394	54,180,394
Total Equity	23,523,756,044	23,523,756,044	23,523,756,044
Total Capitalization	41,200,749,865	44,140,849,240	46,110,344,240

Notes:

- 1) Adjusted amount includes net proceeds of ₱2.94 Billion of the base offer, after the upfront expense.
- 2) Adjusted amount includes net proceeds of ₱4.91 Billion of the maximum offer, after the upfront expense.
- 3) Total debt comprises "Short-term debt", "Current and Non-current portion of Long-term debt", and "Current and Non-current portion of Bonds payable".

	Actual as of 30 September 2025	After Giving Effect to the Base Offer	After Giving Effect to the Oversubscription Option
Short-term debt	370,000,000	370,000,000	370,000,000
Current portion of long-term debt	1,932,625,014	1,932,625,014	1,932,625,014
Current portion of bonds payable	692,960,000	692,960,000	692,960,000
Long-term debt – net of current portion	9,439,587,503	9,439,587,503	9,439,587,503

Bonds payable – net of current portion	5,241,821,304	8,181,920,679	10,151,415,679
TOTAL DEBT	17,676,993,821	20,617,093,196	22,586,588,196

OVERVIEW OF THE DEBT SECURITIES PROGRAM

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

Any discussion of CPGL'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.

CPGL is offering Debt Securities under its Debt Securities Program in the aggregate principal amount of ₱12,000,000,000.00 to be issued in one or several 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	₱12,000,000,000.00 Debt Securities Program.
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 Period 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 in whole, but not in part, any or all series of the Debt Securities 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 110.
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 and 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 earned on the securities prescribed under the Tax Code. Documentary stamp tax on the original issue of the Debt Securities shall be for the Issuer's account.

	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 Joint Lead Underwriters and Bookrunners (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 or Bondholder confirming its exemption or preferential rate as required under BIR RMC No. 8-2014 including any clarification, supplement or amendment thereto, and certified by the Corporate Secretary of the Bondholder that: (a) the original is in the possession of the Corporate Secretary as the duly authorized custodian of the same; and (b) the Corporate Secretary has personal knowledge based on his official functions of any amendment, revocation, expiration, change or any circumstance affecting the said certification's validity. Should the submitted tax exemption certificate, ruling or opinion expire during the Offer Period, the Bondholder must submit an updated/revalidated tax exemption certificate; (ii) with respect to tax treaty relief, (a) prior to the payment of the initial interest due, as well as any subsequent interests due, if a Certificate of Entitlement to Treaty Benefit ("COE") has not been issued by the BIR confirming the Bondholder's entitlement to preferential treaty rate, (i) three (3) originals of the duly executed and apostilled/consularized 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 owners or beneficiaries with the proof of receipt by the concerned office of the BIR, as required under BIR RMO No. 14-2021, (ii) one (1) original of the apostilled/consularized 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 law, (iii) the relevant provision of the tax treaty providing for the claimed 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 of 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 are accomplished by an authorized representative) and confirmation acceptable to the Issuer that the Bondholder or the Bondholder's owners or beneficiaries is/are not doing

	business in the Philippines to support the applicability of a tax treaty relief; (b) prior to the payment of subsequent interests due, if a COE has been issued by the BIR confirming the Bondholder's entitlement to preferential treaty rate, and provided none of the requisites mentioned in the COE for continuous enjoyment of the treaty benefit is absent, (i) a copy of the COE, and (ii) one (1) original of the apostilled/consularized 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 law, if the validity period of the previously issued tax residency certificate has already lapsed; and (c) other additional documents as may be required by the Issuer or pursuant to applicable tax regulations, which shall be submitted by the Bondholder/Registrar to the Issuer no later than the 1st day of the month when such initial or subsequent interest payment/s shall fall due and, if applicable, including any clarification, supplement or amendment thereto; (iii) a duly notarized undertaking executed by (1) the Corporate Secretary or any authorized representative of such applicant or Bondholder, who has personal knowledge of the exemption based on his official functions, if the applicant purchases, or the Bondholder holds, the Bonds for its account, or (2) 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, the Registrar, and the Paying Agent of any suspension or revocation of the tax exemption certificate, ruling or opinion issued by the BIR, executed using the prescribed form, with a declaration and warranty of its tax-exempt status or entitlement to a preferential tax rate, and agreeing to indemnify and hold the Issuer, the Registrar, the Paying Agent, the Joint Lead Underwriters and Bookrunners, and the selling agents, if any, free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding or reduced withholding of the required tax; and (iv) such other documentary requirements as may be reasonably required by the Issuer, the Registrar, or the Paying Agent, or as may be required under the applicable regulations of the relevant taxing or other authorities, e.g. BIR RMO No. 14-2021, which for purposes of claiming tax treaty withholding rate benefits, shall include, among others, evidence of the applicability of a tax treaty and consularized or apostilled (as the case may be) proof of the Bondholder's legal domicile in the relevant treaty state, and confirmation acceptable to the Issuer that the Bondholder is

	not doing business in the Philippines; provided, that the Issuer shall have the exclusive discretion to decide whether the documents submitted are sufficient for purposes of applying the exemption or the reduced rate being claimed by the Bondholder on the interest payments to such Bondholder; 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 the required documents and of additional reasonable evidence of such tax-exempt status to the Registrar. 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.
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, change in law, 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 dates 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/s.
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 after the Series D and Series E Tranches 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.

The terms and conditions set out below apply the Series D Bonds and the Series E Bonds.

Issuer	Century Properties Group Inc.
Corporate Sureties	Century Limitless Corporation, Century City Development Corporation, Century Communities Corporation, Century Properties Management, Inc., PHirst Park Homes Inc., and/or any successor entity pursuant to the Suretyship Agreement.
Issue	SEC-registered Peso-denominated fixed rate bonds constituting the direct, unconditional, unsecured and unsubordinated obligations of the Issuer to be issued in 2 series: 4-year Bonds due 2030 (“ Series D Bonds ”) and 7-year Bonds due 2033 (“ Series E Bonds ”). The Bonds shall be the first tranche of the Debt Securities to be issued from the Company’s ₱12,000,000,000.00 Debt Securities Program to be registered with the SEC under shelf registration.
Issue Size	Base Offer of ₱3,000,000,000.00 with an Oversubscription Option of up to ₱2,000,000,000.00.
Oversubscription Option	The Issuer, in consultation with the Joint Lead Underwriters and Bookrunners, shall have the option to increase the Issue Size by up to ₱2,000,000,000.00 in the event of oversubscription. In the event that the Oversubscription Option is not fully exercised or not exercised at all, 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) to fund capital expenditures for an existing CLC premium residential development, and (ii) to fund capital expenditures for new PPHI housing developments (see “Use of Proceeds” on page 84).
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 ₱50,000.00, each as a minimum and in increments of

	₱10,000.00 thereafter and traded in denominations of ₱10,000.00 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 a.m. on 6 February 2026 and ending at 5:00 p.m. on 12 February 2026 or such earlier day or later day as may be jointly determined by the Issuer and the Joint Lead Underwriters and Bookrunners.																		
Issue Date	20 February 2026, or such other date as may be agreed upon in writing by the Issuer and the Joint Lead Underwriters and Bookrunners																		
Maturity Date	Series D Bonds: Four (4) years from the Issue Date or 20 February 2030 Series E Bonds: Seven (7) years from the Issue Date or 20 February 2033 <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	Series D Bonds: 6.5080% p.a. Series E Bonds: 7.6280% 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 20 May 2026 for the first Interest Payment Date and on August 20, November 20, February 20 and May 20 of each year for each subsequent Interest Payment Date at which the Bonds are outstanding, or the subsequent Business Day without adjustment to the amount of interest to be paid 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	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, any series of 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: <table><tr><th colspan="2">SERIES D BONDS</th></tr><tr><th>Call Option Dates</th><th>Call Option Price</th></tr><tr><td>8th Interest Payment Date</td><td rowspan="4">101.00%</td></tr><tr><td>9th Interest Payment Date</td></tr><tr><td>10th Interest Payment Date</td></tr><tr><td>11th Interest Payment Date</td></tr><tr><td>12th Interest Payment Date</td><td rowspan="4">100.50%</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></table> <table><tr><th colspan="2">SERIES E BONDS</th></tr><tr><th>Call Option Dates</th><th>Call Option Price</th></tr></table>	SERIES D BONDS		Call Option Dates	Call Option Price	8 th Interest Payment Date	101.00%	9 th Interest Payment Date	10 th Interest Payment Date	11 th Interest Payment Date	12 th Interest Payment Date	100.50%	13 th Interest Payment Date	14 th Interest Payment Date	15 th Interest Payment Date	SERIES E BONDS		Call Option Dates	Call Option Price
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Call Option Dates	Call Option Price																		

	<table><tr><td>16th Interest Payment Date</td><td rowspan="4">101.50%</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><tr><td>20th Interest Payment Date</td><td rowspan="4">101.00%</td></tr><tr><td>21st Interest Payment Date</td></tr><tr><td>22nd Interest Payment Date</td></tr><tr><td>23rd Interest Payment Date</td></tr><tr><td>24th Interest Payment Date</td><td rowspan="4">100.50%</td></tr><tr><td>25th Interest Payment Date</td></tr><tr><td>26th Interest Payment Date</td></tr><tr><td>27th Interest Payment Date</td></tr></table>	16 th Interest Payment Date	101.50%	17 th Interest Payment Date	18 th Interest Payment Date	19 th Interest Payment Date	20 th Interest Payment Date	101.00%	21 st Interest Payment Date	22 nd Interest Payment Date	23 rd Interest Payment Date	24 th Interest Payment Date	100.50%	25 th Interest Payment Date	26 th Interest Payment Date	27 th Interest Payment Date
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	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 being redeemed 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 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. 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.															
Final Redemption	The Bonds shall be redeemed at par, or 100% of face value, on their respective Maturity Dates, unless previously redeemed, purchased, and cancelled by the Issuer (see “Description of the Bonds” – “Redemption and Purchase” on page 101). If such Maturity Date has been declared to be a non-Business Day, such Maturity Date shall automatically move to the next succeeding Business Day, without adjustment to the amount of principal and interest due.															
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 in whole, but not in part, any or both series of the Bonds 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.
Redemption due to Change in Law or Circumstance	The Issuer 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 the Issuer 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 the Issuer 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 the Issuer 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 the Issuer 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 the Issuer. In the event that the Issuer should invoke any of the foregoing conditions, the Issuer 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 the Issuer 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.
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 / Corporate Sureties	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 110. The Bonds will likewise have the benefit of the undertaking of the Corporate Sureties under the Suretyship Agreement, pursuant to which each of the Corporate Sureties has assumed joint and several liability (or solidary liability) with the Issuer for the Bonds in order to secure the due and punctual payment and performance by the Issuer of all its obligations under the Bonds.
Rating	The Bonds have been rated AA+ by CRISP on 3 December 2025.
Listing	The Issuer intends to list the Bonds in the PDEx on 20 February 2026, 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	China Bank Capital Corporation.
Joint Lead Underwriters and Bookrunners	China Bank Capital Corporation and PNB Capital and Investment Corporation.
Registrar and Paying Agent	Philippine Depository & Trust Corp.
Trustee	China Banking Corporation through its 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. There is an extra risk of losing money when securities are bought from smaller companies. 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 they are uncertain of, or have 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, and other advisors as to legal, tax, business, financial and related aspects of an investment in the Bonds.

CPGI and the Joint Lead Underwriters and Bookrunners 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.

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.

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 economic performance of the countries where these potential customers 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. It derives approximately 40% of its pre-sales from overseas. The company's OFW customer base is largely formed of professionals, management and services/clerical. 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 the 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 Israel-Hamas conflict which resulted to the repatriations of OFWs, the Company expects a possible decline in the sale of its projects 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 a slight decline to US\$33.2 Billion but recovered to US\$34.9 Billion in 2021 and further increased to US\$36.2 Billion in 2022 despite the COVID-19 pandemic. In 2023 and 2024, OFW remittances amounted to US\$37.2 Billion and US\$38.3 Billion, respectively. For January to September 2025, OFW remittances amounted to US\$29.0 Billion.

To mitigate the risk, the Company procures clients from different countries. The Company has clients located in 58 different countries; hence it is not exposed to any single jurisdiction. As of 30 September 2025, 44%, 23%, 19%, 10%, 4% and 0.1% of Century Premium's sales are from the Philippines, Asia, North America, Europe, Australia/Oceania, Africa, and South America, respectively.

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, the 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, Bataan, Palawan, Nueva Ecija and Negros Occidental. 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 conditions 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 acquiring land of suitable size in certain 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 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 landowner may take actions that can adversely affect the Company.

The Company entered into joint venture agreements and contracts to sell 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 contracts to sell involve additional risks where the joint venture partners or landowners may have economic or business interests or goals that differ from 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 have 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 maximizes 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 entails 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 conducts due diligence and performs 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 32 projects that carry the PHirst Park Homes brand namely in Tanza, Cavite; Lipa, Batangas (2 projects); San Pablo, Laguna (2 projects); Pandi, Bulacan (2 projects); Calamba, Laguna (2 projects); Nasugbu, Batangas (6 projects); Magalang, Pampanga (2 projects); General Trias, Cavite (2 projects); Baliwag, Bulacan (2 projects); Tayabas, Quezon; Naic, Cavite; Balanga, Bataan; Gapan, Nueva Ecija; Vista Alegre, Bacolod City; Bay, Laguna; Calauan, Laguna; Sto. Tomas, Batangas; General Santos City; and Hermosa, Bataan (2 projects). 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 amount 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 are not 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 entering into the affordable housing segment in addition to its current 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 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 Philippine 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 equity and debt 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 R.A. 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 years of installments are granted a grace period of one 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 5% per annum in cases where at least five 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 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 are 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 offers in-house financing to qualified buyers with interest rates ranging from 12% to 16%. The risk is very minimal since this payment option accounts for only 2% of the total collection and 6% of the total sold inventory.

The Company is controlled by 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.

Century Properties, Inc. ("CPI") was incorporated in the Philippines and registered with the SEC on 6 September 1983. The primary purpose of business of CPI is to act as property manager or as commercial, special or general agent or representative of, and to provide management, marketing, investment and technical advice, assistance and services to corporations, associations, partnerships, firms, trustees, syndicates, individuals, combinations, organizations and other entities, whether domestic or foreign. In no case, however, shall the corporation manage the funds, securities, portfolios and similar assets of such managed entities. CPI is owned by the Antonio family.

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. From time to time, members of the Antonio family may be involved in

complaints, investigations, litigation and negative publicity that may impact the reputation of the Company.

To mitigate this risk, the Company is continuously increasing its professional management team. See “Directors, Executive Officers, and Control Persons” on page 251 of this Prospectus. 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, Executive Chairman; Jose Marco R. Antonio, President and Chief Executive Officer; John Victor R. Antonio, Managing Director; Jose Carlo R. Antonio, Managing Director; Hilda R. Antonio, Director of the Company; Rafael G. Yaptinchay, Managing Director; and Ricardo P. Cuerva, Director of the Company and President of Century Project Management and Construction Corporation (“CPMCC”), 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 are 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 that independent contractors render may not be satisfactory or may not 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 months from the delivery of the house to the buyer. In addition, 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 in 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 a land that may be material for its projects. In addition, 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 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. In addition, 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 In 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, (“**P.D. 957**”), Republic Act No. 4726 (“**R.A. 4726**”), and Batas Pambansa Blg. 220 (“**B.P. 220**”) are the principal statutes which regulate the development and sales of real property as part of a condominium project or subdivision. P.D. 957, R.A. 4726 and B.P. 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 which 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 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 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 176 of this Prospectus. 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 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 party 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 therefore 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 on the Amendments to PAS 21, The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When applying the amendments, an entity cannot restate comparative information. The adoption of these amendments did not have any impact on the interim condensed consolidated financial statements of the Group.

Adoption on the Amendments to PFRS 9 and PFRS 7, Financial Instruments and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments

The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The amendments clarify (i) the derecognition of financial liabilities, including transactions settled through electronic payment systems, and (ii) the assessment of whether contractual cash flows of financial assets meet the "solely payments of principal and interest" (SPPI) criteria. The amendments also introduce additional disclosure requirements for financial instruments with contingent features.

The Group is currently assessing the impact of the amendments on its financial instruments; the amendments are not expected to materially affect the measurement of the Group's financial assets and liabilities but will result in additional disclosures once adopted.

Adoption of PFRS 18, Presentation and Disclosure in Financial Statements

PFRS 18, Presentation and Disclosure in Financial Statements, replaces PAS 1 and introduces revised requirements for the structure, classification, and presentation of financial statements, including new defined categories in the statement of profit or loss and expanded disclosure requirements. PFRS 18 is effective for annual periods beginning on or after January 1, 2027, with early adoption permitted.

The Group is currently evaluating the impact of PFRS 18 on the presentation of its financial statements. While the standard is not expected to affect recognition or measurement of the Group's assets and liabilities, it will result in changes in the presentation and classification of certain line items and enhanced disclosures once adopted.

Adoption of PFRS 19, Subsidiaries without Public Accountability: Disclosures

PFRS 19, Subsidiaries without Public Accountability: Disclosures, provides reduced disclosure requirements for eligible subsidiaries that apply the recognition and measurement requirements of PFRS. The standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted.

The Group is currently assessing whether any of its subsidiaries qualify as entities without public accountability. If eligible, the Group may apply the reduced disclosure framework in future reporting periods.

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 may, 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, assign 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 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

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 the Group does not have any foreign currency-denominated debt. 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 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 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 below, 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.

Following the 2022 elections, Ferdinand Marcos Jr. was elected as the 17th President of the Philippines, following former Pres. Rodrigo Roa Duterte. The presidency of President Marcos commenced on 30 June 2022. President Marcos' campaign promised the broad continuity of former President Duterte's plans of developing infrastructure, strengthening foreign policy, and focusing on the growing the country's local agricultural industry.

Based on the World Bank's June 2025 update, the growth of the Philippine economy will be driven by a robust job market, stable and low inflation, and supportive fiscal and monetary policies despite increasing trade barriers and greater financial market volatility. For the first and second quarters of 2025, GDP growth registered at 5.4% and 5.5%, respectively.

Growth drivers will include the business sector, particularly that of small and medium-sized enterprises (SMEs). The Asian Development Bank said robust private consumption and

sustained investments, particularly on infrastructure, will also contribute much to the Philippines' growth.

The average inflation rate for 2024 is only at 3.2% compared to 6.0% average inflation rate in 2023.

On 22 July 2024, during his State of the Nation Address (“**SONA**”), President Ferdinand Marcos Jr. announced an immediate ban on all Philippine Offshore Gaming Operators (“**POGOs**”) due to their alleged involvement in illicit activities. Following this announcement, President Marcos directed the Philippine Amusement and Gaming Corporation (“**PAGCOR**”) to wind down and cease the operations of all POGOs by the end of 2024. On 23 October 2025, Republic Act No. 12312, or the “Anti-POGO Act of 2025,” was signed into law, repealing Republic Act No. 11590, otherwise known as “An Act Taxing Philippine Offshore Gaming Operations,” and institutionalizing the ban on all POGOs.

The POGO ban had minimal impact on the Company's financials, as revenue from POGO tenants accounted for only 2% of the total group revenues in 2024. POGOs tenanted 33% of the Company's office leasing GLA at that time. Since then, the Company has been able to manage and mitigate the impact of the POGO exit by filling up the vacant office spaces with new tenants. From 62% in 2024, the occupancy rate of office leasing assets has recovered to 70% as of September 2025.

The President likewise mentioned in his SONA the alleged corruption in flood control projects, following flooding caused by substandard and “ghost” flood control projects during the onslaught of typhoons in the first half of 2025. After months of investigations, it was revealed that around ₱118 Billion in government funds were allegedly misappropriated by several contractors, lawmakers, and officials involved in the construction of government flood projects from 2023 to 2025.

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 Company faces risks from future public health epidemics or outbreaks of disease that could have an adverse effect on economic activity in the Philippines.

On 21 July 2023, Presidential Proclamation No. 297 was issued, lifting the State of Public Health Emergency throughout the Philippines due to COVID-19 pandemic.

The continuing effects of COVID-19 and the emergence of other adverse public health developments, such as the outbreak of avian influenza, severe acute respiratory syndrome, or SARS, Zika virus and Ebola virus could materially and adversely affect the Group's business, financial condition and results of operations. The extent of any such future impact on the Group's business, financial condition and results of operations, however, is highly uncertain and cannot be accurately predicted.

The Company continues to monitor and evaluate developments relating to any public health epidemic or pandemic to develop contingency measures to mitigate the risk impact to its business.

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 in the capital Manila and in 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 posts 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 November 2024, Standard & Poor Ratings Group ("**S&P**") affirmed the 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 policy reforms. On 30 April 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.

Moody's credit rating for Philippines was last set at Baa2 with stable outlook in December 2014 and was affirmed last August 2025, while in April 2025, Fitch's credit rating for Philippines was last reported at BBB with stable outlook.

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.

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 2020 to 2025, there were eight (8) large known earthquakes in the Philippines, with magnitudes ranging from 6.0 to 7.6. On 30 September 2025, an earthquake with a magnitude of 6.9 struck the province of Cebu, causing damage across 89 cities and municipalities, and affecting more than 80,000 families. Aftershocks caused by such earthquake continued even after several months. On 27 July

2022, a powerful 7.1 magnitude earthquake struck the province of Abra, killing at least 5 people, injuring at least 64, and damaging more than a hundred buildings and structures. On 12 August 2021, an earthquake with a magnitude of 7.1 struck the islands of Mindanao, though no damages or injuries were reported.

The Philippines also experiences occasional volcanic eruptions. Last January 2020, the Taal Volcano erupted again after forty-two (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 LGUs (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. On 26 March 2022, the Taal Volcano erupted again, resulting to PHIVOLCS issued an Alert Level 3 and recommended the immediate evacuation of residents in the surrounding area. The Taal Volcano currently has a classification of Alert Level 1 due to ongoing seismic activity, the latest of which was observed in November 2025 where it had a minor phreatomagmatic eruption which produced greyish plumes reaching 2,800 meters.

Approximately twenty (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, ten (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 a Time Magazine.

Super Typhoon Uwan made landfall in Cagayan Valley on 9 November 2025, affecting more than 1.95 Million families across 16 regions. The National Disaster Risk Reduction and Management Council estimated around ₱1.96 Billion's worth of agricultural damage, and around ₱2.27 Billion's worth of infrastructure damage.

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.

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 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 Joint Lead Underwriters and Bookrunners are 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 1 January 2018, Republic Act No. 10963, otherwise known as the TRAIN Law, took effect. The TRAIN Law amended certain provisions of the National Internal Revenue Code of 1997 ("**Tax Code**") by simplifying income tax, estate and donor's taxes, expanding the VAT base and introducing additional items that would be subject to excise taxes. 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 Comprehensive Tax Reform Program ("**CTRP**") of the Philippine government or Republic Act No. 11534, otherwise known as the Corporate Recovery and Tax Incentives for Enterprises Act ("**CREATE**"), which was signed into law on 26 March 2021, 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.

On 11 November 2024, Republic Act No. 12066, otherwise known as the Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy ("**CREATE MORE**") was enacted into law. CREATE MORE enhanced the tax incentives granted under the CREATE Act, lowered the corporate income tax rate for Registered Domestic Market Enterprises ("**DMEs**") under the Enhanced Deductions Regime ("**EDR**"), expanded the allowable deductions under the EDR, and introduced reforms affecting the imposition of local taxes on Registered Business Enterprises ("**RBEs**").

On 1 July 2025, Republic Act No. 12214, otherwise known as the Capital Markets Efficiency Promotion Act ("**CMEPA**") took effect. CMEPA introduced key reforms to the taxation of capital market instruments and passive income, including the reduction of the stock transaction tax, the uniform application of the capital gains tax on unlisted shares, and the rationalization of the documentary stamp tax. It also streamlined the tax rates on interest income and royalties and provided enhanced incentives for retirement savings under the Personal Equity and Retirement Account (PERA) law. CMEPA is part of the government's ongoing efforts to deepen the Philippine capital markets and make financial instruments more accessible and competitive by reducing friction costs and aligning local tax treatment with global practices. However, under the CMEPA, any tax exemption and preferential rate on financial instruments issued or transacted prior to 1 July 2025 shall be subject to the prevailing tax rate at the time of its issuance for the remaining maturity of the relevant agreement.

Pursuant to the Tax Code, the following terms used in this section shall refer to:

- a. “resident alien” – an individual whose residence is within the Philippines and who is not a citizen thereof;
- b. “non-resident alien” – an individual whose residence is not within the Philippines and who is not a citizen of the Philippines;
- c. “non-resident alien engaged in trade or business within the Philippines” – a non-resident engaged in trade or business in the Philippines, provided that, a non-resident individual who is actually within the Philippines for an aggregate period of more than 180 days during any calendar year shall be deemed as non-resident alien doing business in the Philippines;
- d. “non-resident alien not engaged in trade or business within the Philippines” – non-resident alien who is actually within the Philippines for an aggregate period of 180 days or less during any calendar year shall be deemed as non-resident alien not doing business in the Philippines;
- e. “domestic corporation” – a corporation that is created or organized in the Philippines or under its laws;
- f. “resident foreign corporation” – a non-domestic corporation engaged in trade or business within the Philippines; and
- g. “non-resident foreign corporation” – a non-domestic 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.

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%.

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 derived by Philippine citizens and resident aliens from the Bonds is subject to income tax, which is withheld at source, at the rate of 20% of the gross amount of interest.

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

Interest income received by domestic corporations and resident foreign corporations from the Bonds is subject to income tax, which is withheld at source at the rate of 20%.

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 imposed on non-resident aliens not engaged in trade or business in the Philippines and non-resident foreign corporations may be subject to further reduction by any applicable tax treaties in force between the Philippines and the country of residence of the non-resident foreign Bondholders. 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.

TAX-EXEMPT STATUS OR ENTITLEMENT TO PREFERENTIAL RATES

The BIR has issued Revenue Memorandum Order (“**RMO**”) No. 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, as clarified by Revenue Memorandum Circular (“**RMC**”) No. 77-2021 and RMC No. 20-2022, 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 No. 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 Joint Lead Underwriters and

Bookrunners (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 its exemption or preferential rate as required under BIR RMC No. 8-2014 including any clarification, supplement or amendment thereto, and certified by the Corporate Secretary of the Bondholder that: (a) the original is in the possession of the Corporate Secretary as the duly authorized custodian of the same; and (b) the Corporate Secretary has personal knowledge based on his official functions of any amendment, revocation, expiration, change or any circumstance affecting the said certification's validity. Should the submitted tax exemption certificate, ruling or opinion expire during the Offer Period, the Bondholder must submit an updated/revalidated tax exemption certificate;
- (ii) with respect to tax treaty relief, (a) prior to the payment of the initial interest due, as well as any subsequent interests due, if a Certificate of Entitlement to Treaty Benefit ("**COE**") has not been issued by the BIR confirming the Bondholder's entitlement to preferential treaty rate, (i) three (3) originals of the duly executed and apostilled/consularized 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 owners or beneficiaries with the proof of receipt by the concerned office of the BIR, as required under RMO No. 14-2021, (ii) one (1) original of the apostilled/consularized 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 law, (iii) the relevant provision of the tax treaty providing for the claimed 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 of 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 are accomplished by an authorized representative) and confirmation acceptable to the Issuer that the Bondholder or the Bondholder's owners or beneficiaries is/are not doing business in the Philippines to support the applicability of a tax treaty relief; (b) prior to the payment of subsequent interests due, if a COE has been issued by the BIR confirming the Bondholder's entitlement to preferential treaty rate, and provided none of the requisites mentioned in the COE for continuous enjoyment of the treaty benefit is absent, (i) a copy of the COE, and (ii) one (1) original of the apostilled/consularized 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 law, if the validity period of the previously issued tax residency certificate has already lapsed; and (c) other additional documents as may be required by the Issuer or pursuant to applicable tax regulations, which shall be submitted by the Bondholder/Registrar to the Issuer no later than the 1st day of the month when such initial or subsequent interest payment/s shall fall due and, if applicable, including any clarification, supplement or amendment thereto;
- (iii) a duly notarized undertaking executed by (1) the Corporate Secretary or any authorized representative of such applicant or Bondholder, who has personal knowledge of the exemption based on his official functions, if the applicant

purchases, or the Bondholder holds, the Bonds for its account, or (2) 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, the Registrar, and the Paying Agent of any suspension or revocation of the tax exemption certificate, ruling or opinion issued by the BIR, executed using the prescribed form, with a declaration and warranty of its tax-exempt status or entitlement to a preferential tax rate, and agreeing to indemnify and hold the Issuer, the Registrar, the Paying Agent, the Joint Lead Underwriters and Bookrunners, and the selling agents, if any, free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding or reduced withholding of the required tax; and

- (iv) such other documentary requirements as may be reasonably required by the Issuer, the Registrar, or the Paying Agent, or as may be required under the applicable regulations of the relevant taxing or other authorities, e.g. RMO No. 14-2021, which for purposes of claiming tax treaty withholding rate benefits, shall include, among others, evidence of the applicability of a tax treaty and consularized or apostilled (as the case may be) proof of the Bondholder's legal domicile in the relevant treaty state, and confirmation acceptable to the Issuer that the Bondholder is not doing business in the Philippines; provided, that the Issuer shall have the exclusive discretion to decide whether the documents submitted are sufficient for purposes of applying the exemption or the reduced rate being claimed by the Bondholder on the interest payments to such Bondholder; 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 the required documents and of additional reasonable evidence of such tax-exempt status to the Registrar.

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 to 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 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 75% of 1% of the issue 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 and trading the Bonds in a secondary market or through an exchange. However, if the transfer constitutes a renewal of the Bonds, or carries with it the issuance of instruments in the name of the transferee to replace the old ones, 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.

Any gain realized from the sale, exchange or retirement of debt instruments as a rule, form part of the gross income of the sellers, for purposes of computing the relevant taxable income subject to ordinary income tax rates (at graduated rates from 0% to 35% for individuals, beginning 1 July 2020, 25% for domestic and resident foreign corporations, provided that domestic corporations with net taxable income not exceeding ₱5,000,000 and with total assets not exceeding ₱100,000,000 (excluding land on which the particular business entity's office, plant, and equipment are situated during the taxable year for which the tax is imposed) (Micro, Small, and Medium Enterprises), shall be taxed at 20%. Taxable net income refers to items of income specified under Section 32(A) of the Tax Code less the items of allowable deductions under Section 34 of the Tax Code or those allowed under special laws.)

On the other hand, gains realized by non-residents from the sale or transfer of debt instruments are subject to final withholding tax at the rate of 25%, if the holder is a non-resident alien not engaged in trade or business within the Philippines or is a non-resident foreign corporation. If the debt instrument is sold by a seller, who is an individual and who is not a dealer in securities, who has held the debt instrument for a period of more than twelve (12) months prior to the sale, only 50% of any capital gain will be recognized and included in the sellers' gross taxable income.

Any gains realized by non-residents on the sale of the Bonds may be exempt from Philippine income tax under an applicable tax treaty, subject to procedures prescribed by the BIR for the availment of tax treaty benefits.

ESTATE AND DONOR'S TAX

The transfer of the Bonds by way of succession is subject to Philippine estate tax. Philippine donor's tax, on the other hand, shall apply if the Bonds are transferred by way of donation.

Estate tax is equivalent to 6% of the net estate of the deceased, while donor's tax is 6% of the total gifts in excess of ₱250,000.00 gift made during the calendar year by the donor.

When property (other than real property subject to capital gains tax) is 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 property exceeded the value of the consideration shall be deemed a gift or donation subject to donors' tax. However, a sale, exchange, or other transfer of property made in the ordinary course of business, or a transaction made at arm's length and free from donative intent, will be considered as made for an adequate and full consideration in money or money's worth, and will not be subject to donors' tax.

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 the donor's tax, in respect of the Bonds, shall not be collected:

- (i) If the decedent at the time of his 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
- (ii) if the laws of the foreign country of which the decedent 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 that foreign country.

TAXATION OUTSIDE THE PHILIPPINES

The tax treatment of non-resident Bondholders in jurisdictions outside the Philippines may vary depending on the tax laws applicable to such Bondholder by reason of domicile or business activities and such Bondholder's particular situation. This Prospectus does not discuss the tax considerations on such non-resident Bondholders under laws other than those of the Philippines.

USE OF PROCEEDS

The use of proceeds for each succeeding Tranche after the Series D and Series E Tranches shall be set out in the relevant Offer Supplement.

Following the offer and sale of ₱3,000,000,000.00 of unsecured peso-denominated fixed rate retail bonds, CPGI expects that the net proceeds of the Offering shall amount to approximately ₱2,940,142,332.50 after deducting fees, commissions, and expenses. Assuming full exercise of the Oversubscription Option of up to ₱2,000,000,000.00, CPGI expects total net proceeds of approximately ₱4,910,142,332.50 after deducting fees, commissions, and expenses.

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

	Base Offer (in ₱)	Oversubscription Option (in ₱)
Estimated proceeds from the sale of Bonds	3,000,000,000.00	2,000,000,000.00
Less: Estimated expenses		
Underwriting fees ¹	22,500,000.00	15,000,000.00
Documentary Stamp Tax	22,500,000.00	15,000,000.00
SEC registration fee, legal research fee, and clearance fees	1,282,667.50	
Rating agency fee	4,000,000.00	
Legal fees ² (excluding OPE)	3,800,000.00	
Listing application fees	200,000.00	
Registry and paying agency fees	225,000.00	
Trustee fees	300,000.00	
Audit fees	4,500,000.00	
Roadshow expenses	500,000.00	
Other miscellaneous expenses (out-of-pocket, publication, etc.)	50,000.00	
Total upfront expenses	59,857,667.50	30,000,000.00
Estimated net proceeds for the issue	2,940,142,332.50	1,970,000,000.00
Total Net Proceeds	4,910,142,332.50	

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 ₱150,000.00 in advance upon the approval of the Listing;

¹ The 0.75% underwriting fees includes all fees payable to the Sole Issue Manager, the Joint Lead Underwriters and Bookrunners and the selling agents, if any. No separate fee will be paid to the Sole Issue Manager.

² Legal fees will be paid to the Counsel of the Issuer and independent third-party counsel, Atty. Ishmalyn R. Balbontin.

2. The Issuer will pay a yearly retainer fee to the Trustee amounting to ₱300,000.00 per annum;
3. The Issuer will pay CRISP an annual monitoring fee of ₱400,000.00; and
4. After the Issue Date, a Paying Agency Fee amounting to ₱100,000.00 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 Offer 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
Fund capital expenditures for an existing CLC premium residential development	970	1,182	March 2026 to December 2027	On-going development
Fund capital expenditures for new PPHI housing developments	1,970	3,728	March 2026 to December 2027	Future developments of various projects
Total	2,940	4,910		

Capital Expenditures for Century Limitless Corporation's Premium Residential Development

The Company's capital expenditure for 2026 includes the funds needed for an existing residential development project of CLC's Century Premium residential segment in Pampanga.

A portion of the net proceeds from this Offer will be used to finance the remaining development cost for Mykonos, CLC's Century Premium residential project located in San Fernando, Pampanga. The details of this project are shown in the table below. The disbursement will either be in the form of equity infusion of the Company into CLC, intercompany advance or through a loan agreement with CLC.

Project Name	Project Location	Developer	Total Project Cost (₱ Million)	Total Spent to Date (₱ Million)	Remaining Planned Use in 2026 (₱ Million)	Remaining Planned Use and Project Cost in 2027 (₱ Million)	Project Description	Launch Date	Target Date of Completion

Mykonos	San Fernando, Pampanga	Century Limitless Corporation	1,260.0	78.1	417.0	764.9	Mid-rise residential development comprises of 12-storey towers with 374 units with ₱2.9B sales value.	February 2025	December 2027
TOTAL			1,260.0	78.1	417.0	764.9			

Capital Expenditures for PHirst Park Homes Inc.'s Housing Developments

The Company's capital expenditure for 2026 includes the funds needed for existing and future PHirst housing development projects in various locations in Calabarzon, Central Luzon, Visayas and Mindanao.

A portion of the net proceeds from this Offer will be used to partially finance the new PHirst housing developments located in in various locations in Calabarzon, Central Luzon and Mindanao. The details of these projects are shown in the table below. The disbursement will either be in the form of equity infusion of the Company into PPHI, intercompany advance or through a loan agreement with PPHI.

Project Name	Project Location	Developer	Total Project Cost (₱ Million)	Total Spent to Date (₱ Million)	Remaining Planned Use in 2026 (₱ Million)	Remaining Planned Use in 2027 (₱ Million)	Remaining Project Cost 2028 – 2036 (₱Million)	Project Description	Launch Date	Target Date of Completion
PHirst Park Homes Magalang East	Magalang, Pampanga	PPHI	3,056.4	635.5	193.6	371.22	1,856.08	Horizontal affordable housing with 2,408 units and ₱5.7Billion sales value	Q4 2024	Q4 2032
PHirst Park Homes Baliwag Expansion	Baliuag, Bulacan	PPHI	1,430.7	215.3	439.7	306.18	469.52	Horizontal affordable housing with 1,050 units and ₱2.5 Billion sales value	Q1 2025	Q4 2029
PHirst Park Homes Pandi Expansion	Pandi, Bulacan	PPHI	953.9	110.2	235.0	83.54	525.16	Horizontal affordable housing with 597 units and ₱1.6 Billion sales value	Q2 2025	Q3 2030
PHirst Sights Batangas	Padre Garcia, Batangas	PPHI	3,140.2	259.5	411.4	536.70	1,933.13	Horizontal affordable housing with 2,582 units and ₱5.3 Billion sales value	Q4 2025	Q4 2036
PHirst Park Homes Calauan West	Calauan, Laguna	PPHI	1,644.7	222.0	396.5	231.31	794.89	Horizontal affordable housing with 1,487 units and ₱2.7 Billion sales value	Q4 2025	Q4 2033
PHirst Sights Tagum	Tagum, Davao Del Norte	PPHI	1,952.5	21.5	293.8	229.58	1,407.62	Socialized housing with 2,603 units and ₱2.9 Billion sales value	Q3 2026	Q4 2033
TOTAL			12,178.4	1,464.0	1,970.0	1,758.0	6,986.4			

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, 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 per annum of the Series D Bonds was computed based on sum of (a) the simple average of the four (4)-year PHP BVAL Reference Rate at approximately 5:00 p.m. (Philippine Standard Time), for the three (3) consecutive Business Days immediately preceding inclusive of the Interest Rate Setting Date, and (b) the relevant credit spread.

The interest rate per annum of the Series E Bonds was computed based on the simple average of the seven (7)-year PHP BVAL Reference Rate at approximately 5:00 p.m. (Philippine Standard Time), for the three (3) consecutive Business Days immediately preceding and ending on the Interest Rate Setting Date, plus the relevant credit spread.

PLAN OF DISTRIBUTION

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

THE OFFER

On 12 December 2025, 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 ₱12,000,000,000.00 under shelf registration, inclusive of the first tranche of the Debt Securities Program with an aggregate principal amount of ₱3,000,000,000.00 with an Oversubscription Option of up to ₱2,000,000,000.00 comprised of 6.5080% p.a. four (4)-year fixed rate bonds due 2030 ("**Series D Bonds**") and/or 7.6280% p.a. seven (7)-year fixed rate bonds due 2033 (the "**Series E Bonds**").

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 ₱2,000,000,000.00 is partially exercised or not exercised at all, the bonds subject of the Oversubscription Option 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 UNDERWRITERS OF THE OFFER

Chinabank Capital has been appointed as the Sole Issue Manager for the Offer and as such, manage and coordinate the various workstreams to ensure the successful execution of the Offer.

The Sole Issue Manager, together with PNB Capital, pursuant to an Issue Management and Underwriting Agreement executed on 3 February 2026 (the "**Issue Management and Underwriting Agreement**"), have agreed to act as the Joint Lead Underwriters and Bookrunners for the Offer and as such, distribute and sell the Bonds at the Issue Price, and has also committed to underwrite ₱3,000,000,000.00 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, which shall be inclusive of all the fees to be paid to the Sole Issue Manager, the Joint Lead Underwriters and Bookrunners, and any fees to be ceded to participating underwriters and selling agents, if any.

Each of the Joint Lead Underwriters and Bookrunners has committed to underwrite the Offer on a firm basis the amount indicated below:

Joint Lead Underwriters and Bookrunners	Amount
Chinabank Capital	₱2,000,000,000.00
PNB Capital	₱1,000,000,000.00
Total	₱3,000,000,000.00

There is no allocation of the Oversubscription Option among the Joint Lead Underwriters and Bookrunners. In case of oversubscription, CPGI and the Joint Lead Underwriters and Bookrunners shall allocate the Bonds available to the applicants in a manner they deem appropriate. The Issuer and the Joint Lead Underwriters and Bookrunners have the right but not the obligation to exercise such Oversubscription Option.

There is no arrangement for the Joint Lead Underwriters and Bookrunners 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 Joint Lead Underwriters and Bookrunners the right to designate or nominate member(s) to the Board of Directors of CPGI.

The Joint Lead Underwriters and Bookrunners are duly licensed by the SEC to engage in underwriting or distribution of the Bonds. The Joint Lead Underwriters and Bookrunners may, from time to time, engage in transactions with and perform services in the ordinary course of its business for CPGI.

The Joint Lead Underwriters and Bookrunners have no direct relations with CPGI in terms of ownership by its major stockholder/s.

China Bank Capital Corporation is the wholly owned investment banking subsidiary of China Banking Corporation. It was registered and licensed as an investment house on 27 November 2015, with SEC Company Registration No. CS201522558 and SEC Investment House License No. CR 01-2015-00279 (renewed on 13 November 2025), as a result of the spin-off of China Banking Corporation's Investment Banking Group. The firm offers a full suite of investment banking solutions that enable clients to achieve their fundraising objectives and strategic goals. The firm's services include arranging, managing, and underwriting debt and equity transactions, such as bond offerings, corporate notes issuances, initial public offerings and follow-on offerings of common and preferred shares, private placement of securities, structured loans, project finance, real estate investment trusts, and asset securitizations. Chinabank Capital also provides financial advisory services, such as deal structuring, valuation, and execution of mergers, acquisitions, divestitures, joint ventures, and other corporate transactions. As of 31 December 2024, it has total assets of ₱4.06 Billion and a capital base of ₱4.00 Billion.

PNB Capital, a wholly owned subsidiary of the Philippine National Bank, offers a spectrum of investment banking services including loan syndications and project finance, bond offerings, private placements, public offering of shares, securitization, financial advisory and mergers and acquisitions. It was incorporated on 30 July 1997 and commenced operations on 8 October 1997. PNB Capital is licensed by the Philippine SEC to operate as an investment house with a non-quasi-banking license. PNB Capital is authorized to buy and sell, for its own account, securities issued by private corporations and the Philippine Government. As of 31 December 2024, total assets of PNB Capital were at ₱2.17 Billion while total capital was at ₱2.13 Billion.

SALE AND DISTRIBUTION

The distribution and sale of the Bonds shall be undertaken by the Joint Lead Underwriters and Bookrunners who shall sell and distribute the Bonds to third party buyers/investors. Nothing herein shall limit the rights of the Joint Lead Underwriters and Bookrunners from purchasing the Bonds for their 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.

WITHDRAWAL OF THE OFFER

The Company reserves the right to withdraw the offer and sale of the Bonds at any time before the commencement of the Offer Period, in which event the Company and the Joint Lead Underwriters and Bookrunners shall make the necessary disclosures to the SEC and the PDEx.

The Company may, by prior written notice to the Joint Lead Underwriters and Bookrunners, also withdraw the offer and sale of the Bonds at any time on or after the commencement of the Offer Period and prior to the Issue Date, if any of the following events occur, in which case the Issue Management and Underwriting Agreement shall be deemed terminated, namely:

- (i) (i) An outbreak or escalation of hostilities or acts of terrorism involving the Philippines or a declaration by the Philippines of a state of war; or (ii) occurrence of any event or change (whether or not forming part of a series of events occurring before, on and/or after the date hereof) of a political, military, economic or other nature; or (iii) occurrence of any change in local, national or international financial, political, economic or stock market conditions, any of which renders it impracticable or inadvisable to continue with the Offer and/or listing of the Bonds in the manner contemplated by the SEC order declaring effective the Registration Statement, the Permit to Sell Securities, the Offer or the listing of the Bonds by a competent court or agency or self-regulatory body having jurisdiction on the matter, such as the SEC (the “**Approvals**”) and the Prospectus, or would have a material adverse effect on the Philippine economy, on the securities or other financial or currency markets of the Philippines, or on the distribution, offer and sale of the Bonds in the Philippines, rendering it, in the reasonable determination of the Joint Lead Underwriters and Bookrunners, after consultation with the Issuer, impracticable to proceed with the Offer in the manner contemplated by the Approvals and the Prospectus;
- (ii) An order revoking, cancelling, suspending, preventing or, terminating the offer, sale, distribution, listing or issuance of the Bonds by any court or Governmental Authority having jurisdiction on the matter, including the SEC and the PDEx;
- (iii) Suspension, cancellation, revocation, or termination of any of the Approvals;
- (iv) Trading in the PDEx is closed or suspended for at least three (3) consecutive trading days other than due to weekends or declared holidays, or in such manner or for such period as will render impracticable the listing and trading of the Bonds on the Issue Date or such other date as may be approved by the PDEx;
- (v) There is a change or impending change in any Philippine law, rule, regulation, policy or administrative practice, or a ruling, interpretation, decree or order issued, made, or adopted by any Governmental Authority which (i) materially and adversely affects: (a) the ability of the Issuer to engage in the business it is presently engaged in; (b) the capacity and due authorization of the Issuer to offer and issue the Bonds and enter into the transaction documents in connection with the Offer; (c) any of the features of the Bonds, including the taxes on fees or costs in connection with the Offer, or (ii) renders illegal the performance by any of the Joint Lead Underwriters and Bookrunners of their respective obligations hereunder;
- (vi) Any significant, adverse, and unforeseeable change or development in the Issuer’s long-term financial condition, assets, liabilities, results of operations, business,

properties, or profitability, which renders the Bonds unsuitable for offering to the public;

- (vii) The Issuer is compelled through an official order, decree, or ruling issued by any competent court or Governmental Authority to stop its operations, which is not remedied within five (5) Business Days from receipt by the Issuer of a formal notice of such decision by such competent court or Governmental Authority (as the case may be);
- (viii) The Issuer shall be adjudicated bankrupt or insolvent, or shall admit in writing its inability to pay its debts as they mature, or shall make or threaten to make an assignment for the benefit of, or a composition or arrangement with, its creditors or any class thereof, or shall declare or threaten to declare a moratorium on its indebtedness or any class thereof; or the Issuer shall apply for or consent to the appointment of any receiver, trustee or similar officer for it or for all or any substantial part of its property; and such receiver, trustee or similar officer shall be appointed; or the Issuer shall initiate or institute (by petition, application or otherwise), or consent to the institution of any bankruptcy, insolvency, reorganization, rehabilitation, arrangement, readjustment of debt, suspension of payment, dissolution, liquidation, corporate rehabilitation or similar proceeding relating to it under the laws of any jurisdiction; or any such proceeding shall be instituted against the Issuer; or any judgment, writ, warrant of attachment or execution or similar process shall be issued or levied against any material asset, or material part of the Issuer's assets; or any event occurs which under the laws of the Philippines or any applicable political subdivision thereof, has an effect equivalent to any of the foregoing;
- (ix) A general banking moratorium is declared in the Philippines or a material disruption in commercial banking or securities settlement or clearance services occurs in the Philippines;
- (x) The commencement or the threatened commencement in writing by any entity, person or regulatory body of any public action, court proceeding, litigation, arbitration or other similar proceeding against the Joint Lead Underwriters and Bookrunners in connection with or with respect to the issuance or sale by the Issuer of the Bonds or the Offer in general which renders the performance of their underwriting commitment impossible or impracticable;
- (xi) Any court, arbitral tribunal, or Governmental Authority which has jurisdiction on the matter issues an order restraining or prohibiting the Joint Lead Underwriters and Bookrunners, or directing them to cease, from performing their underwriting obligations which makes it impossible for the Joint Lead Underwriters and Bookrunners to perform their underwriting obligations due to conditions beyond their control;
- (xii) Unavailability of PDTC's facilities used for the Offer and/or listing prior to or on the target Issue Date and such unavailability effectively prevents the ability of the Issuer and the Joint Lead Underwriters and Bookrunners to fully comply with the listing requirements of the PDEX, if the impact of such unavailability on the listing of the Bonds remains unresolved after discussions between the Issuer and the Joint Lead Underwriters and Bookrunners in good faith; and
- (xiii) Any force majeure event, other than the ones enumerated above, that has material or adverse effect on the Issuer's long-term financial condition, assets, liabilities, results of operations, business, properties, or profitability.

The Joint Lead Underwriters and Bookrunners may, by prior written notice to the Company and subsequent notification to the SEC and the PDEX, also cancel, suspend or terminate its underwriting commitment at any time before the commencement of the Offer Period, or after the commencement of the Offer Period and prior to the Issue Date, in accordance with and upon the happening of the events set out in the Issue Management and Underwriting Agreement.

After the commencement of the Offer Period, the Offer shall not be withdrawn, cancelled, suspended, or terminated solely by reason of the (i) Issuer's or the Joint Lead Underwriters and Bookrunners' inability to sell or market the Bonds or (ii) the refusal or failure to comply with any undertaking or commitment by the Issuer, the Joint Lead Underwriters and Bookrunners, or any other entity/person to take up any Bonds remaining after the Offer Period.

Notwithstanding the acceptance of any Application, the Bonds will be issued only upon listing of such Bonds on the PDEX, and provided that the Issue Management and Underwriting Agreement shall not have been terminated or cancelled, on or before the Issue Date, in accordance with the provision of the said agreement. Subject to the right of the Company to withdraw or cancel the offer and sale of the Bonds prior to the Issue Date pursuant to this section, the Company and any of its agents involved in the Offer undertake to comply with all conditions that are within the control of the Company and any of its agents involved in the Offer, to ensure the listing of the Bonds on Issue Date.

OFFER PERIOD

The Offer Period shall commence at 9:00 a.m. on 6 February 2026 and shall end at 5:00 p.m. on 12 February 2026, or such other date as may be mutually agreed between the Company and the Joint Lead Underwriters and Bookrunners.

APPLICATION TO PURCHASE

Applicants may purchase the Bonds during the Offer Period by submitting to the Joint Lead Underwriters and Bookrunners 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 Joint Lead Underwriters and Bookrunners 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 its exemption or preferential rate as required under BIR RMC No. 8-2014 including any clarification, supplement or amendment thereto, and certified by the Corporate Secretary of the Bondholder that: (a) the original is in the possession of the Corporate Secretary as the duly authorized custodian of the same; and (b) the Corporate Secretary has personal knowledge based on his official functions of any amendment, revocation, expiration, change or any circumstance affecting the said certification's validity. Should the submitted tax exemption certificate, ruling or opinion expire during the Offer Period, the Bondholder must submit an updated/revalidated tax exemption certificate;
- (ii) with respect to tax treaty relief, (a) prior to the payment of the initial interest due, as well as any subsequent interests due, if a COE has not been issued by the BIR confirming the Bondholder's entitlement to preferential treaty rate, (i) three (3) originals of the duly executed and apostilled/consularized 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 owners or beneficiaries with the proof of receipt by the concerned office of the BIR, as required under BIR RMO No. 14-2021, (ii) one (1) original of the apostilled/consularized 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 law, (iii) the relevant provision of the tax treaty providing for the claimed 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 of 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 are accomplished by an authorized representative) and confirmation acceptable to the Issuer that the Bondholder or the Bondholder's owners or beneficiaries is/are not doing business in the Philippines to support the applicability of a tax treaty relief; (b) prior to the payment of subsequent interests due, if a COE has been issued by the BIR confirming the Bondholder's entitlement to preferential treaty rate, and provided none of the requisites mentioned in the COE for continuous enjoyment of the treaty benefit is absent, (i) a copy of the COE,, and (ii) one (1) original of the apostilled/consularized 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 law, if the validity period of the previously issued tax residency certificate has already lapsed; and (c) other additional documents as may be required by the Issuer or pursuant to applicable tax regulations, which shall be submitted by the Bondholder/Registrar to the Issuer no later than the 1st day of the month when such initial or subsequent interest payment/s shall fall due and, if applicable, including any clarification, supplement or amendment thereto;
- (iii) a duly notarized undertaking executed by (1) the Corporate Secretary or any authorized representative of such applicant or Bondholder, who has personal knowledge of the exemption based on his official functions, if the applicant purchases, or the Bondholder holds, the Bonds for its account, or (2) 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, the Registrar, and the Paying Agent of any suspension or revocation of the tax exemption certificate, ruling or opinion issued by the BIR, executed using the prescribed form, with a declaration and warranty of its tax-exempt status or entitlement to a preferential tax rate, and agreeing to indemnify and hold the Issuer, the Registrar, the Paying Agent, the Joint Lead Underwriters and Bookrunners, and the selling agents, if any, free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding or reduced withholding of the required tax; and

- (iv) such other documentary requirements as may be reasonably required by the Issuer, the Registrar, or the Paying Agent, or as may be required under the applicable regulations of the relevant taxing or other authorities, e.g. BIR RMO No. 14-2021, which for purposes of claiming tax treaty withholding rate benefits, shall include, among others, evidence of the applicability of a tax treaty and consularized or apostilled (as the case may be) proof of the Bondholder's legal domicile in the relevant treaty state, and confirmation acceptable to the Issuer that the Bondholder is not doing business in the Philippines; provided, that the Issuer shall have the exclusive discretion to decide whether the documents submitted are sufficient for purposes of applying the exemption or the reduced rate being claimed by the Bondholder on the interest payments to such Bondholder; 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 the required documents and of additional reasonable evidence of such tax-exempt status to the Registrar.

Completed Applications to Purchase and corresponding payments must reach the Joint Lead Underwriters and Bookrunners prior to the end of the Offer Period, or such earlier date as may be specified by the Joint Lead Underwriters and Bookrunners. Acceptance by the Joint Lead Underwriters and Bookrunners 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 ₱50,000.00 shall be considered for acceptance. Purchases in excess of the minimum shall be in multiples of ₱10,000.00, 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 Joint Lead Underwriters and Bookrunners, in consultation with the Issuer and subject to the Issuer's right of rejection.

ACCEPTANCE OF APPLICATIONS

CPGI and the Joint Lead Underwriters and Bookrunners 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 Joint Lead Underwriters and Bookrunners.

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 relevant Joint Lead Underwriter and 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. The Bonds shall be traded in denominations of ₱10,000.00 in the secondary market.

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 after the Series D and Series E Tranches 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 5 December 2025, the issuance of the initial tranche in the principal amount of ₱3,000,000,000.00 with an Oversubscription Option of up to ₱2,000,000,000.00, comprised of the 6.5080% p.a. four (4)-year fixed rate bonds due 2030 (the “**Series D Bonds**”) and/or the 7.6280% p.a. seven (7)-year fixed rate bonds due 2033 (the “**Series E Bonds**”) and the shelf registration of ₱12,000,000,000.00 Debt Securities Program to be offered over a period not exceeding five (5) 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 3 February 2026 (the “**Trust Indenture Agreement**”) and entered into between the Issuer and China Banking Corporation through its 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 3 February 2026 (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 ₱50,000.00 and in multiples of ₱10,000.00 thereafter, and shall be traded in denominations of ₱10,000.00 in the secondary market.

The Series D Bonds and the Series E Bonds shall mature on 20 February 2030 and 20 February 2033, respectively, 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.

A Suretyship Agreement was executed on 3 February 2026 (the “**Suretyship Agreement**”) by and among China Banking Corporation, acting through its Trust and Asset Management Group, as Trustee for the Bondholders, and Century Limitless Corporation, Century City Development Corporation, Century Communities Corporation, Century Properties Management, Inc., and PHirst Park Homes Inc. (collectively, and including any successor entity pursuant to the Suretyship Agreement, the “**Corporate Sureties**”).

The Suretyship Agreement is a condition to the underwriting and issuance of the Bonds. Under the Suretyship Agreement, each of the Corporate Sureties assumes joint and several liability (or solidary liability) with the Issuer for the Bonds in order to secure the due and punctual payment and performance of all obligations of the Issuer under the Bonds.

The liability of each Corporate Surety is primary and solidary with the Issuer and is not subject to any requirement that the Trustee or the Bondholders first exhaust remedies against the Issuer and other Corporate Sureties. The Suretyship constitutes a continuing security that remains effective until full payment of the Bonds and the discharge of all obligations of the Issuer under the Bond Agreements.

A copy of the Suretyship Agreement is likewise available for inspection during normal business hours at the specified office of the Trustee. Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Suretyship Agreement.

1. Form, Denomination and Title

a. Form and Denomination

The Bonds are in scripless form, and issued in denominations of ₱50,000.00 each as a minimum and in integral multiples of ₱10,000.00 thereafter, and shall be subsequently traded in denominations of ₱10,000.00 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 twenty (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 relevant Joint Lead Underwriter and Bookrunner from whom the Bonds were purchased, to amend entries in the Registry by issuing an Affidavit of Correction duly endorsed by such Joint Lead Underwriter and 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+** with a **Positive Outlook** by CRISP on 3 December 2025. CRISP reaffirmed CPGI's AA+ rating with a Positive Outlook based on the following factors:

1. Diversified Market Portfolio; Expanding in High-Demand Housing Sector;
2. Established Foothold in the Vertical Housing Market;
3. Resilient Financial Position; and
4. Well-managed debt.

CRISP assigned a Positive Outlook, indicating a possible upgrade in FY 2026 should CPGI develop a realistic and deliverable marketing program to enhance its market position in the affordable horizontal housing market. CRISP also views the twin objectives of affordability and profitability as essential elements of CPGI's business model and marketing strategy.

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 multiples of ₱10,000.00 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 based on the simple average of the applicable BVAL Reference Rate as published on the relevant page of Bloomberg at approximately 5:00 p.m. (Philippine Standard Time), for three (3) consecutive Business Days immediately preceding and ending on the interest rate setting date, plus the relevant credit spread for the Series D Bonds and Series E Bonds.

a. Interest Payment Dates

The Series D Bonds and Series E Bonds shall bear interest on its principal amount from and including Issue Date at the rate of 6.5080% per annum and 7.6280% per annum, respectively, in each year payable quarterly in arrears starting on 20 May 2026 for the first Interest Payment Date and on August 20, November 20, February 20 and May 20 of each year for each subsequent Interest Payment Date at which the Bonds are outstanding, or the subsequent Business Day, without adjustment to the amount of interest due, 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 immediately 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 101, 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 115) shall apply.

c. Determination of Interest Amount

The interest shall be calculated on the basis of a three hundred sixty (360)-day year consisting of twelve (12) months of thirty (30) days each, and in the case of an incomplete month, the number of days elapsed on the basis of a month of thirty (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, plus any outstanding interest, on the respective Maturity Dates or on 20 February 2030 and 20 February 2033 for the Series D Bonds and Series E Bonds, respectively. 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 in whole, but not in part, any or both series of the Bonds 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, any series of 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:

SERIES D BONDS	
Call Option Dates	Call Option Price
8 th Interest Payment Date	101.00%
9 th Interest Payment Date	
10 th Interest Payment Date	
11 th Interest Payment Date	
12 th Interest Payment Date	100.50%
13 th Interest Payment Date	
14 th Interest Payment Date	
15 th Interest Payment Date	

SERIES E BONDS	
Call Option Dates	Call Option Price
16 th Interest Payment Date	101.50%
17 th Interest Payment Date	
18 th Interest Payment Date	
19 th Interest Payment Date	
20 th Interest Payment Date	101.00%
21 st Interest Payment Date	
22 nd Interest Payment Date	
23 rd Interest Payment Date	

24 th Interest Payment Date	100.50%
25 th Interest Payment Date	
26 th Interest Payment Date	
27 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 such series of 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 sixty (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 sixty (60) nor less than thirty (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

Under the CMEPA, interest income on the Bonds is subject to a uniform rate of 20%, except for non-resident aliens not engaged in trade or business and nonresident foreign corporations, both of whom shall still be subject to a final withholding tax rate of 25%, unless otherwise provided under other 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. A Bondholder 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 its exemption or preferential rate as required under BIR RMC No. 8-2014 including any clarification, supplement or amendment thereto, and certified by the Corporate Secretary of the Bondholder that: (a) the original is in the possession of the Corporate Secretary as the duly authorized custodian of the same; and (b) the Corporate Secretary has personal knowledge based on his official functions of any amendment, revocation, expiration, change or any circumstance affecting the said certification's validity. Should the submitted tax exemption certificate, ruling or opinion expire during the Offer Period, the Bondholder must submit an updated/revalidated tax exemption certificate;
- (ii) with respect to tax treaty relief, (a) prior to the payment of the initial interest due, as well as any subsequent interests due, if a COE has not been issued by the BIR confirming the Bondholder's entitlement to preferential treaty rate, (i) three (3) originals of the duly executed and apostilled/consularized 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 owners or beneficiaries with the proof of receipt by the concerned office of the BIR, as required under BIR RMO No. 14-2021, (ii) one (1) original of the apostilled/consularized 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 law, (iii) the relevant provision of the tax treaty providing for the claimed 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 of 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 are accomplished by an authorized representative) and confirmation acceptable to the Issuer that the Bondholder or the Bondholder's owners or beneficiaries is/are not doing business in the Philippines to support the applicability of a tax treaty relief; (b) prior to the payment of subsequent interests due, (i) if a COE has been issued by the BIR confirming the Bondholder's entitlement to preferential treaty rate, and provided none of the requisites mentioned in the COE for continuous enjoyment of the treaty benefit is absent, (i) a copy of the COE, and (ii) one (1) original of the apostilled/consularized 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 law, if the validity period of the previously issued tax residency certificate has already lapsed; and (c) other additional documents as may be required by the Issuer or pursuant to applicable tax regulations, which shall be submitted by the Bondholder/Registrar to the Issuer no later than the 1st day of the month when such initial or subsequent interest payment/s shall fall due and, if applicable, including any clarification, supplement or amendment thereto;
- (iii) a duly notarized undertaking executed by (1) the Corporate Secretary or any authorized representative of such applicant or Bondholder, who has personal knowledge of the exemption based on his official functions, if the applicant purchases, or the Bondholder holds, the Bonds for its account, or (2) 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, the Registrar, and the Paying Agent of any suspension or revocation of the tax exemption certificate, ruling or opinion issued by the BIR, executed using the prescribed form, with a declaration and warranty of its tax-exempt status or entitlement to a preferential tax rate, and agreeing to indemnify and hold the Issuer, the Registrar, the Paying Agent, the Joint Lead Underwriters and Bookrunners, and the selling agents, if any, free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding or reduced withholding of the required tax; and

- (iv) such other documentary requirements as may be reasonably required by the Issuer, the Registrar, or the Paying Agent, or as may be required under the applicable regulations of the relevant taxing or other authorities, e.g. BIR RMO No. 14-2021, which for purposes of claiming tax treaty withholding rate benefits, shall include, among others, evidence of the applicability of a tax treaty and consularized or apostilled (as the case may be) proof of the Bondholder's legal domicile in the relevant treaty state, and confirmation acceptable to the Issuer that the Bondholder is not doing business in the Philippines; provided, that the Issuer shall have the exclusive discretion to decide whether the documents submitted are sufficient for purposes of applying the exemption or the reduced rate being claimed by the Bondholder on the interest payments to such Bondholder; 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 the required documents and of additional reasonable evidence of such tax-exempt status to the Registrar;
- 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 30 September 2025 financials and pro forma for a ₱3,000,000,000.00 offering, the projected Debt to Equity ratio of the Company is 0.9x. Pro forma for a ₱3,000,000,000.00 plus the Oversubscription Option of up to ₱2,000,000,000.00, 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 twelve (12) months, divided by (b) the Company's Debt Service for the last twelve (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.

The foregoing discussion is summarized as follows:

Financial Covenant	Threshold	Pre-Issuance	Post-Issuance (Base Offer)	Post Issuance (Assuming the Oversubscription Option is Fully Exercised)
Current Ratio	At least 1.5x	2.3x	2.3x	2.3x
Debt to Equity Ratio	Less than 2.0x	0.8x	0.9x	1.0x
Debt Service Coverage Ratio	Not less than 1.2x	1.9x	2.8x	3.4x

Financial Ratios

Please refer to the section entitled "Selected Financial Information" located on page 208 of this Prospectus for further details.

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Net income attributable to the equity holders of the parent company	2,105	1,769	2,443	1,321	901
Dividends declared to preferred shares	113	113	113	101	202
	1,992	1,656	2,330	1,220	699
Weighted average number of shares	11,600	11,600	11,600	11,600	11,600
EPS, basic / diluted (₱)	0.17	0.14	0.20	0.11	0.06

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Gross Profit Margin					
Gross Profit	5,975	5,242	7,074	5,929	4,810
Revenue	12,312	10,690	14,640	12,701	11,127
Gross Profit Margin (%)	48.5%	49.0%	48.3%	46.7%	43.2%
NIAT Margin					
Net income	2,105	1,769	2,443	1,855	1,405
Revenue	12,312	10,690	14,640	12,701	11,127
NIAT Margin (%)	17.1%	16.5%	16.7%	14.6%	12.6%
Return on Asset (ROA)					
Total annualized net income after tax	2,806	2,359	2,443	1,855	1,405
Total asset current year	60,853	56,249	55,870	55,385	53,931
Total asset as of beginning of period	55,870	55,385	55,385	53,931	54,507
Average total asset	58,362	55,817	55,628	54,658	54,219
ROA (%)	4.8%	4.2%	4.4%	3.4%	2.6%
Return on Equity (ROE)					
Total annualized net income after tax	2,806	2,359	2,443	1,855	1,405
Total equity current year	23,524	21,879	22,181	20,304	23,792
Total equity prior year	22,181	20,304	20,304	23,793	22,351
Average total equity	22,853	21,092	21,243	22,049	23,071
ROE (%)	12.3%	11.2%	11.5%	8.4%	6.1%
Interest coverage ratio					
Total net income after tax	2,105	1,769	2,443	1,855	1,405
Add: Provision for income tax	723	559	397	342	219
Add: Interest expense	992	1,013	1,357	1,089	796
EBIT	3,820	3,341	4,197	3,286	2,420

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Interest expense	992	1,013	1,357	1,089	796
Interest coverage ratio (x)	3.9	3.3	3.1	3.0	3.0
Debt service coverage ratio					
Total debt service excluding sale of receivables with recourse and refinancing	3,266	6,824	6,925	3,159	6,230
Add: Cash and cash equivalents	2,882	4,818	4,175	3,543	4,131
Cash Before Debt Service	6,148	11,642	11,100	6,702	10,361
Divide: Debt service	3,266	6,824	6,925	3,159	6,230
Debt service coverage ratio (x)	1.9	1.7	1.6	2.1	1.7
Current ratio					
Current Assets	41,912	37,971	37,778	37,948	36,104
Current Liabilities	18,312	16,330	15,809	18,312	10,769
Current ratio (x)	2.3	2.3	2.4	2.1	3.4
Quick Ratio					
Current Assets	41,912	37,971	37,778	37,948	36,104
Inventory	19,565	16,465	17,194	18,832	17,723
Quick Assets	22,347	21,506	20,584	19,116	18,381
Current Liabilities	18,312	16,330	15,809	18,312	10,769
Quick Ratio (x)	1.2	1.3	1.3	1.0	1.7
Debt to equity ratio					
Short-term debt	370	984	963	792	235
Current portion of long-term debt	1,933	1,376	1,264	3,852	2,192
Current portion of bonds payable	693	-	-	3,000	-
Long-term debt – net of	9,440	8,775	8,709	6,500	8,814

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
current portion					
Bonds payable – net of current portion	5,242	5,900	5,907	5,877	5,917
Debt	17,677	17,035	16,844	20,021	17,158
Equity	23,524	21,879	22,181	20,304	23,793
Debt to equity ratio (x)	0.8	0.8	0.8	1.0	0.7
Net debt to equity ratio					
Debt	17,677	17,035	16,844	20,021	17,159
Less: Cash and cash equivalents	2,882	4,818	4,175	3,543	4,131
Net Debt	14,795	12,217	12,669	16,478	13,028
Total Equity	23,524	21,879	22,181	20,304	23,793
Net debt to equity ratio (x)	0.6	0.6	0.6	0.8	0.5
EBITDA					
Net income after tax	2,105	1,769	2,443	1,855	1,405
Provision for income tax	723	559	397	342	219
Income before Income Tax	2,828	2,328	2,840	2,197	1,624
Interest expense	992	1,013	1,357	1,089	796
Depreciation and amortization	174	86	159	82	56
EBITDA	3,994	3,427	4,356	3,368	2,476
Debt					
Debt	17,677	17,035	16,844	20,021	17,159
EBITDA (Annualized for Interim)	5,325	4,569	4,356	3,368	2,476
Debt-to-EBITDA (x)	3.3	3.7	3.9	6.0	6.9
Net Debt	14,795	12,216	12,669	16,478	13,028
EBITDA (Annualized for Interim)	5,325	4,569	4,356	3,368	2,476
Net Debt-to-EBITDA	2.8	2.7	2.9	4.9	5.3
Asset to equity ratio					

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Total Assets	60,853	56,249	55,870	55,385	53,931
Total Equity	23,524	21,879	22,181	20,304	23,793
Asset to equity ratio (x)	2.6	2.6	2.5	2.7	2.3
Total Liabilities / Total Equity					
Total Liabilities	37,329	34,764	33,689	35,081	30,139
Total Equity	23,524	21,879	22,181	20,304	23,793
Total Liabilities / Total Equity	1.6	1.6	1.5	1.7	1.3

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) 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.
- 3) 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.
- 4) Debt-to-equity ratio computed by dividing total interest-bearing debt (includes short-term and long-term debts and bonds payable) by total equity.

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 CPGL 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 CPGL;
- f. Liens incidental to the normal conduct of the business of CPGL 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 CPGL or the value of such property for the purpose of such business;
- g. Liens upon tangible personal property (by purchase or otherwise) granted by CPGL 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 CPGL 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 CPGL;
- j. Liens created on any property or assets of CPGL (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 CPGL (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 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 ₱3,500,000,000.00;
- 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. Liens for 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 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 (if capable of being cured) within a period of thirty (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, and Joint Lead Underwriters and Bookrunners, the Master Certificate of Indebtedness, and the Terms and Conditions, including amendments thereto 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 thirty (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 ten (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 ₱500,000,000.00.

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 sixty (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 ₱500,000,000.00 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 thirty (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 thirty (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 thirty (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 thirty (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 and the Registrar and Paying Agent, require the Registrar and Paying Agent to 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 issuance of any such notice until such notice is withdrawn, provision (a) above (if notice pursuant to provision (a) above was previously given by the Trustee) 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 ten (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 presentment 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% per annum based on a three hundred sixty (360)-day year 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 and 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 sixty (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 in the Bond Agreements 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 that 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 notices, statements and requests to be made pursuant to the Trust Indenture and this Prospectus shall be in writing and shall be deemed to have been duly given only if delivered personally, mailed (first class postage prepaid) or emailed to the Parties at the following addresses or email addresses and addressed to the individuals named below:

To the Trustee:

Attention: Jericho D. Lagustan / Jenny Lind M. De Dios
Designation: Assistant Vice President / Deputy Senior Manager

Subject: CPGI Series D Bonds due 2030 and Series E Bonds due 2033
Address: China Banking Corporation through its Trust and Asset Management Group 8/F, China Bank Building, 8745 Paseo de Roxas corner Villar Street, Makati City
Telephone: (632) 8885-5888 loc. 6006 / (632) 8885-5865
Email: jdlagustan@chinabank.ph / jlmdedios@chinabank.ph

All notices (except notices sent by email) shall be deemed received on the date of receipt thereof by the addressee. If sent by email, such notice shall be deemed received on the date of transmission from the email server of the sender, provided that no delivery failure of bounce-back notification is received). 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) if sent by email, on date of transmission from the email server of the Trustee, provided that no delivery failure of bounce-back notification is received; 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 SEC 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 on 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 a responsible officer of the Trustee 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;
- 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; and
- iv. The Trustee shall not be liable other than the performance of such duties as are specifically set forth in 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 ninety (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 thirty (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 thirty (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 thirty (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; provided, further, that the resigning Trustee shall be entitled to the payment of the fee stipulated in Section 2.2 of the Trust Indenture Agreement during the Holdover Period.
- f. Successor Trustee
- i. Any successor trustee appointed as provided in Condition 21(e) 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 ten (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 ninety (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 forty-five (45) calendar days prior to the date fixed for the meeting nor later than fifteen (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 ten (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 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 ₱10,000.00 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 hereunder 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, and Joint Lead Underwriters and Bookrunners, 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 SyCipLaw for the Joint Lead Underwriters and Bookrunners, and ACCRALAW and CPGI's legal division for the Company. ACCRALAW and SyCipLaw have no direct or indirect interest in CPGI. ACCRALAW and SyCipLaw 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 31 December 2024, 2023, and 2022 and for the years ended 31 December 2024, 2023, and 2022 in accordance with Philippine Standards on Auditing (PSA) and reviewed the accompanying interim condensed consolidated statements of financial position of CPGI and its Subsidiaries as at 30 September 2025 and for the nine-month periods ended 30 September 2025 and 2024 in accordance with Philippine Standards on Review Engagements, 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. 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, all included in this Prospectus. 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 fiscal years and interim third quarter 2025 for professional services rendered by SGV & Co.

	2025	2024	2023
Total Audit Fees³	₱7,422,760	₱6,644,000	₱5,209,360
Non-audit Services⁴			
Other Assurance Services	–	1,953,050	1,953,050
Tax Services	–	–	–
All Other Services	–	120,000	–
Total Non-audited Services Fees	–	2,073,050	1,953,050
TOTAL	₱7,422,760	₱8,717,050	₱7,162,410

³ Agreed audit fees

⁴ As billed for the nine months period ended September 30, 2025 and for the year ended December 31, 2024 and 2023

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, approves all audit engagement fees and terms of the external auditor, and reviews the external auditor's 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.

Other than the aforementioned audit and other assurance services reported in 2023 to 2025, SGV and Co. was not engaged for services, neither for professional services, tax accounting compliance, advice and planning, nor any services rendered for products and services.

DESCRIPTION OF BUSINESS

OVERVIEW

CPGI is one of the leading real estate companies in the Philippines with 39 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.

CPGI, formerly EAPRC, was originally incorporated on 23 March 1975 as Northwest Holdings and Resources Corporation. On 26 September 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 PSE, whereby, among other things, CPI acquired 96.99% of EAPRC's common shares and EAPRC acquired all of the Subsidiaries of CPGI.

Currently, the Company has six (6) wholly-owned Subsidiaries, namely CCDC, CLC, CCC, PPHI, CDLC, and CPML. 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.

The following are CPGI's master-planned communities with the corresponding subsidiaries:

Master Planned Community	Subsidiary
Century City	Century City Development Corporation
Acqua Private Residences	Century Limitless Corporation
Azure Urban Resort Residences	Century Limitless Corporation
The Residences at Commonwealth	Century Limitless Corporation
Canyon Ranch	Century Communities Corporation
PHirst Park Homes (32 projects)	PHirst Park Homes Inc.
The Resort Residences at Azure North	Century Limitless Corporation
Commune Village at Batulao	Century Limitless Corporation

As of 30 September 2025, the Company has completed 41 projects which include 36 residential projects, consisting of (a) 18,303 completed residential condominium units with an aggregate GFA of 1,279,262 sq. m. (inclusive of parking) for its vertical residential developments, (b) 1,287 single detached homes and town villas with an aggregate GFA of 230,462 sq. m. for its Canyon Ranch, Commune Village at Batulao and Acqua Town Villas developments, and (c) 5 commercial leasing projects with 146,675 sq. m of GLA. In addition, the Company has completed 16,057 houses under PHirst Park Homes with 32 launched projects.

Currently, the Company is developing 39 master-planned communities. Among these master-planned communities are:

- **Century City** – This is 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 its interior designed by Giorgio Armani S.P.A., was also completed in October 2022.

- **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. As of the date of this Prospectus, all six (6) towers have been completed, namely: Niagara, Sutherland, Detifoss, Livingstone, Iguazu, and Acqua 6.
- **Azure Urban Resort Residences** – As 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 eight (8)-tower project is located along 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. All eight (8) towers have already been completed, namely: Osmeña West, Quezon North, Roxas East, Osmeña East, Roxas West, Quirino West, Quirino East, and Quezon South.
- **Canyon Ranch** – Canyon Ranch is 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 include one of only two (2) operating horse racing tracks in the Philippines. A total of 925 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 and single attached units. The development covers a total of 2,877 houses currently valued at ₱4.8 Billion. PHirst Park Homes also launched a 20-hectare development in Lipa, Batangas with 1,698 houses, presently valued at ₱3.3 Billion, in the second quarter of 2018, and an 18-hectare development in San Pablo, Laguna with 1,640 houses, now valued at ₱2.9 Billion, launched in March 2019. PHirst Park Homes Pandi launched in October 2019, with 1,377 houses valued at ₱2.6 Billion as of the date of this Prospectus. PHirst Park Homes Calamba was launched in November 2019 with 1,501 houses now valued at ₱2.7 Billion. PHirst Park Homes Batulao (Nasugbu) was launched in December 2019, with 2,157 houses presently valued at ₱5.4 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 from July to August 2021, with 1,660 houses now valued at ₱3.5 Billion, 2,050 houses currently valued at ₱3.8 Billion, and 1,551 houses presently valued at ₱2.8 Billion, respectively. In 2022, the Company launched PHirst Park Homes Naic, PHirst Park Homes Balanga and PHirst Park Homes Gapan with 2,513 houses valued at ₱4.5 Billion, 1,079 houses valued at ₱2.0 Billion, and 1,609 houses valued at ₱3.4 Billion respectively. Three

(3) new segments under PHirst were also launched in December 2022: PHirst Editions located in Nasugbu, Batangas with 629 houses valued at ₱3.1 Billion; PHirst Sights in Bay Laguna with 2,263 houses valued at ₱3.0 Billion; and PHirst Centrale in Hermosa, Bataan with 1,574 houses valued at ₱3.1 Billion and 49 commercial lots at ₱1.4 Billion. In 2023, the Company launched PHirst Park Homes Bacolod, Lipa The Cove, Batulao Impressions, and Batulao Editions Expansions with 1,726 houses valued at ₱3.2 Billion, 1,116 houses valued at ₱2.1 Billion, 1,060 houses valued at ₱2.8 Billion, and 496 houses valued at ₱2.7 Billion, respectively. In 2024, six additional projects were launched, namely PHirst Sights Calauan, San Pablo East, Calamba West, Sto. Tomas, Batulao Impressions Expansion, and Magalang East, with 2,229 houses valued at ₱3.2 Billion, 2,866 houses valued at ₱6.6 Billion, 1,644 houses valued at ₱4.1 Billion, 2,206 houses valued at ₱8.8 Billion, 656 houses valued at ₱1.9 Billion, and 2,408 houses valued at ₱5.8 Billion, respectively. As of 30 September 2025, the Company launched five (5) more projects in Baliwag, Pandi, Batulao Editions Vol. 2 East, Gen Tri Impressions and its first Mindanao project in General Santos City, with 1,050 houses valued at ₱2.5 Billion, 597 houses valued at ₱1.6 Billion, 753 houses valued at ₱3.6 Billion, 1,538 houses valued at ₱6.6 Billion, and 2,445 houses valued at ₱6.7 Billion, respectively.

- ***The Resort Residences at Azure North*** – This is 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.

Azure North is strategically located at the western side of the North Luzon Expressway San Fernando exit, in the middle of the highly commercialized and economic growth area of Pampanga. The vision for Azure North is to develop condominium towers, townhouse clusters, and commercial components. Each residential tower was inspired by famous beaches around the world, namely Monaco, Bali, and Barbados. In addition to the man-made beach, its features will include a waterpark with waterplays and slides. The center of these amenities is the clubhouse that houses the multi-purpose event space, fitness gym, and a cafe. Monaco and Bali towers were completed in 2021 while Barbados, the last high-rise tower, is expected to be completed in the fourth quarter of 2025.

The Company also launched Phase 2 of the Azure North development in the first quarter of 2025. This includes Mykonos, the first Mid-Rise Building (MRB), which is a 374-unit residential tower and the waterpark. In the fourth quarter of 2025, the Company launched Azure North Town Villas, which is a 49-unit Residential Town Villa that took inspiration from the success of Acqua Expansion Town Villas in Mandaluyong City.

- ***Commune Village at Batulao*** – Commune Village is a 6.5-hectare horizontal residential 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, 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. New home models Kaizen (2BR) and Sansa (3BR) are also being offered in Commune Village. This project is a fresh take on minimalist design, updated with the new living preferences of buyers in mind.

It is anchored on four (4) pillars: Integrated, Connected, Accessible, and Sustainable. The community has features that can reduce maintenance costs and increase the vitality of the community – from solar-powered streetlights to water pumps that reduce power consumption. Plans are also well underway for recreational and retail establishments that cater to a broader range of cultural preferences and that will further increase the commercial value of its land.

The community is a 1.5 to 2-hour drive from Makati via four (4) access points through: (1) Daang Hari Road towards the scenic Nasugbu-Kaybiang Tunnel; (2) Star Tollway to Tanauan Exit; (3) South Luzon Expressway (“**SLEX**”); and (4) Cavite Expressway (“**CAVITEX**”).

Century PHirst Corporation

On 23 February 2023, CPGI announced the expansion of its first home market residential offerings through CPC, a wholly-owned subsidiary of CLC. CPGI, through CPC, will venture into the socialized, economic, and mid-income residential markets. CLC is a wholly-owned subsidiary of CPGI.

CPC’s flagship projects are: (1) PHirst Editions Batulao located in Nasugbu, Batangas, which was launched in October 2022; (2) PHirst Sights Bay in Laguna, which was launched in December 2022; (3) PHirst Centrale Hermosa in Bataan, which was launched in December 2022 (PHirst Fairgrounds) and May 2023 (PHirst Impressions); and (4) PHirst Sights Calauan which was launched in May 2024.

PHirst Editions Batulao, CPC’s maiden middle-income development, is a horizontal residential project in Nasugbu, Batangas and is located adjacent to the existing PHirst Park Homes Batulao community. PHirst Editions Batulao spans 14 hectares and will house 629 units with a project sales value of ₱3.1 Billion for middle income, priced from ₱3.2 Million to ₱6 Million.

PHirst Sights Bay in Laguna with 2,263 houses valued at ₱3.02 Billion is a project that will cover segments from socialized housing with units priced at ₱580,000.00, and economic housing with units ranging from ₱800,000.00 to ₱1.7 Million.

To round up its expansion plan, CPC also ventured into PHirst Centrale Hermosa, its first mixed-use township in Bataan, which will have multiple residential product offerings and will support commercial, retail, and institutional components. Launched in May 2023, PHirst Impressions Centrale Hermosa is a townhouse development that occupies 15.6 hectares with 1,574 units valued at around ₱3.1 Billion. Unit prices range from ₱1.7 to ₱ 2.5 Million. Alongside PHirst Impressions is PHirst Fairgrounds, PHirst Centrale Hermosa’s commercial component launched in December 2022. This 3.5-hectare development offers lot cuts ranging from 503 to 1,531 sq.m., with the first phase valued at ₱1.4 Billion.

In November 2024, PPHI acquired all of the outstanding capital of CPC. In February 2025, the Board of Directors of both PPHI and CPC approved the merger of the two (2) entities, with PPHI as the surviving entity. The SEC approved its merger with PPHI effective 31 July 2025. These expansion efforts of PPHI bring forth a broader range of housing packages and price points to provide first-time home buyers with a wider set of options to acquire their very own home.

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, Mandaluyong City, Bulacan, Pampanga, Bataan, Batangas, Cavite, Nueva Ecija, General Santos, and Palawan that cover a total site area of 294.9 hectares.

The Company, through its subsidiary CPML, also engages in a wide range of property management services, from facilities management and auction services, to lease and secondary sales. Through CPML, the Company endeavors to ensure the properties it manages maintain and improve their asset value and are safe and secure. As of 30 September 2025,

CPMI manages 63 projects with a total of 98 buildings and 22 villages and a total GFA of 7.075 million sq. m. (inclusive of parking) under management. Of the total CPMI projects under management, 48% 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, Pacific Star Building in Makati City, Philippine National Bank Financial Center in Pasay City, Amoa by Aboitiz Land in Compostela, Cebu, Seafront Residences by Aboitiz Land in San Juan, Batangas, and Avida Settings Cavite in Bacoor, Cavite.

The Company has marketed and sold to clients in 58 countries and, as a result, a significant portion of its 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 horizontal 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 distribution network of 3,661 sales agents, including 3,012 commission-based sales agents and 649 subsidized sales agents as of 31 December 2025. For fiscal year 2026, the Company expects to accredit 691 sales agents and brokers, classified as casual sellers.

For calendar years ended 31 December 2022, 2023, 2024 and for the nine (9)-month period ended 30 September 2025, revenue was ₱11,126 Million, ₱12,701 Million, ₱14,640 Million and ₱12,312 Million, respectively, and net income was ₱1,405 Million, ₱1,855 Million, ₱2,443 Million, and ₱2,105 Million, respectively. As of 30 September 2025, the Company had total assets of ₱60,852 Million, and total equity of ₱23,469 Million (excluding non-controlling interest).

Completed Projects as of 30 September 2025

Residential Projects

Residential Projects	Location	Type	GFA in sq. m. (with parking)	Units	Year Completed
Century City					
Gramercy Residences	Makati City	Residential	121,595	1,434	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
Century Spire	Makati City	Residential/Office	92,138	552	2022
Subtotal			421,258	4,098	
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			336,910	5,355	
Acqua Private Residences					
Niagara	Mandaluyong City	Residential	33,709	474	2015
Sutherland	Mandaluyong City	Residential	41,705	736	2015
Dettifoss	Mandaluyong City	Residential	36,536	607	2016
Livingstone	Mandaluyong City	Residential	40,251	675	2016
Iguazu	Mandaluyong City	Residential	36,367	492	2018
Acqua Tower 6	Mandaluyong City	Residential	13,531	185	2019
Hotel Residences at Acqua	Mandaluyong City	Residential	10,899	158	2019
Acqua Town Villas	Mandaluyong City	Residential	6,349	10	On-going (10 out of 22 units have been completed as of September 2025)
Subtotal			219,347	3,337	
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
Quezon South	Quezon City	Residential	38,341	687	2022
Subtotal			192,243	3,254	
Canyon Ranch					
Phase 1 & 2	Carmona, Cavite	Residential	166,896	779	Per house
Moderno	Carmona, Cavite	Residential	25,304	146	Per house
Subtotal			192,200	925	
The Resort Residences at Azure North					
Monaco	Pampanga	Residential	43,063	800	2021
Bali	Pampanga	Residential	43,063	806	2021
Barbados	Pampanga	Residential	40,627	820	2025
Subtotal			126,753	2,426	

Commune Village at Batulao	Batangas	Residential	31,914	352	<i>Per house</i>
Grand Total			1,520,625	19,748	

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	708*	2015
Asian Century Center	BGC, Taguig City	Office Building	30,584	51	2018
Century Diamond Tower	Makati City	Office Building	57,142	221	2019
Novotel Suites Manila	Mandaluyong City	Hotel	12,538	152	2022
Total			146,675	1,282	

*571 units sold, 141 units for lease

Sold Residential Business Projects as of 30 September 2025

Project	Location	No. of Units Inventory	No. of Units Sold	% Sold	Total Sales Value (P millions)	Sold Revenues (P millions)	Remarks
IN-CITY VERTICAL DEVELOPMENTS / CENTURY PREMIUM							
A. COMPLETED IN-CITY VERTICAL DEVELOPMENTS							
Century City	Makati City	4,098	4,076	99.5%	34,216	33,495	Unsold units are mostly in Century Spire, the last tower which is already completed.
Azure Urban Resorts Residences	Parañaque City	5,355	5,342	99.8%	22,740	22,559	Unsold units are mostly the retail units in Maui and a few residential units in Bahamas
The Resort Residences at Azure North	San Fernando, Pampanga	2,427	2,409	99.3%	10,904	10,638	Bali and Monaco are already completed. Barbados, the last tower, is expected to be completed in 2025.
Acqua Residences	Mandaluyong City	3,327	3,293	99.0%	18,786	17,974	Unsold units are mostly in Hotel Residences at Acqua.
Commonwealth	Quezon City	3,254	3,223	99.0%	13,180	12,924	Unsold units are mostly in Quezon South, the last tower which is already completed.
Commune Village at Batulao	Nasugbu, Batangas	485	362	74.6%	3,398	2,384	Completed 352 units.
Canyon Ranch	Carmona, Cavite	925	914	98.8%	3,697	3,633	Substantially sold and completed.
SUB-TOTAL		19,871	19,619	98.7%	106,922	103,607	
B. ON-GOING CENTURY PREMIUM RESIDENTIAL DEVELOPMENTS							
Mykonos at Azure North (MRB)	San Fernando, Pampanga	374	153	40.9%	2,744	1,159	Launched in February 2025.

Project	Location	No. of Units Inventory	No. of Units Sold	% Sold	Total Sales Value (P millions)	Sold Revenues (P millions)	Remarks
Azure North Town Villas	San Fernando, Pampanga	49	29	59.2%	1,279	672	Launched in September 2025.
Acqua Town Villas	Mandaluyong City	22	20	90.9%	1,279	672	Launched in October 2022.
SUB-TOTAL		445	202	45.4%	5,302	2,504	
TOTAL		20,316	19,821	97.6%	112,223	106,110	
FIRST-HOME MARKET RESIDENTIAL DEVELOPMENTS							
PHirst Park Homes	Tanza, Cavite	2,877	2,808	97.6%	4,794	4,593	Phases 1 & 2 were launched in 2017 and Phase 3 in 2019; 2,821 houses are completed as of September 2025, Phase 1 is 99% sold, Phase 2 is 98% sold, Phase 3 is 85% sold.
PHirst Park Homes	Lipa, Batangas	1,867	1,615	86.5%	3,313	2,711	1,682 houses are completed as of September 2025, Phase 1 is 99% sold, Phase 2 is 98% sold, Phase 3 is 85% sold.
PHirst Park Homes	San Pablo, Laguna	1,640	1,607	98.0%	2,887	2,828	Phase 1 was launched in Q1 2019, 96% sold; Phase 2 was launched in Q2 2019, 85% sold; Phase 3 was launched in Q2 2021, 47% sold. 1,607 completed houses as of September 2025
PHirst Park Homes	Pandi, Bulacan	1,377	1,254	91.1%	2,591	2,368	Phases 1 and 2 were launched in Q4 2019; Phase 1 is 92% sold, Phase 2 is 94% sold, Phase 3 is 87% sold; 1,224 completed houses as of September 2025
PHirst Park Homes	Calamba, Laguna	1,501	1,450	96.6%	2,701	2,608	Phase 1 was launched in Q4 2019, 96% sold; Phase 2 in Q1 2021, 51% sold; 1,493 completed houses as of September 2025.
PHirst Park Homes	Nasugbu, Batangas	2,157	2,137	99.1%	5,359	5,307	Phase 1A was launched in Q4 2019, 97% sold. Phase 1B was launched in Q3 2020, 95% sold, Phase 2 was launched in Q1 2021, 82% sold; 1,363 completed houses as of September 2025.

Project	Location	No. of Units Inventory	No. of Units Sold	% Sold	Total Sales Value (P millions)	Sold Revenues (P millions)	Remarks
PHirst Park Homes	Magalang, Pampanga	1,079	1,074	99.5%	1,904	2,006	Phase 1 was launched in Q4 2020, 71% sold; 1,046 completed houses as of September 2025.
PHirst Park Homes	Gen. Trias, Cavite	1,660	1,449	87.3%	3,537	3,098	Phase 1 was launched in Q3 2021. Phase 2 was launched in March 2022, 98% sold. Phase 3 was launched in Q4 2021, 36% sold; 834 completed houses as of September 2025.
PHirst Park Homes	Tayabas, Quezon	2,050	1,063	51.9%	3,751	1,769	Phase 1A was launched in Q3 2021; Phase 2 was launched Q4 2023; 947 completed houses as of September 2025.
PHirst Park Homes	Baliwag, Bulacan	1,551	1,456	93.9%	2,786	2,889	Phase 1A was launched in Q3 2021, 93% sold. Phase 2 was launched in Q3 2022, 26% sold; 825 completed houses as of September 2025.
PHirst Park Homes	Naic, Cavite	2,513	1,187	47.2%	4,537	2,277	Phase 1A was launched in Q4 2021; Phase 2 was launched Q1 2023; 276 completed houses as of September 2025.
PHirst Park Homes	Balanga, Bataan	1,079	481	44.6%	1,973	858	Phase 1 was launched in Q2 2022; 319 completed houses as of September 2025.
PHirst Park Homes	Gapan, Nueva Ecija	1,609	327	20.3%	3,441	615	Phase 1 was launched in late December 2022; 148 completed houses as of September 2025.
PHirst Editions	Nasugbu, Batangas	629	587	93.3%	3,061	2,914	Phase 1 was launched in October 2022; Phase 2 was launched in Q1 2023; 167 completed houses as of September 2025.
PHirst Sights	Bay, Laguna	2,263	2,010	88.8%	3,026	2,435	Phases 1 and 2 were launched in December 2022; 1,000 completed houses as of September 2025.
PHirst Centrale	Hermosa, Bataan	1,574	257	16.3%	3,115	504	Phase 1 was launched in late December 2022; 191 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 2025.
Hermosa Fairgrounds	Hermosa, Bataan	49	-	-	1,435	-	Launched in December 2022.
PHirst Park Homes	San Pablo East	2,866	189	6.6%	6,643	363	Launched in October 2024
PHirst Park Homes	Pandi Expansion	597	158	25.6%	1,599	363	Launched in June 2025
PHirst Park Homes	Calamba West	1,644	633	38.5%	4,145	1,331	6 completed houses as of September 2025.
PHirst Park Homes	Lipa Cove	1,116	596	53.4%	2,077	1,194	46 completed houses as of September 2025.
PHirst Park Homes	Impressions Batulao Exp	656	118	18.0%	1,947	294	Launched in October 2024
PHirst Editions	Edition Batulao Vol.2 West	496	378	76.2%	2,656	1,779	2 completed houses as of September 2025.
PHirst Park Homes	Sto. Tomas	2,206	314	14.2%	8,838	730	Launched in September 2024
PHirst Park Homes	Baliwag Expansion	1,050	177	16.9%	2,461	416	Launched in March 2025
PHirst Park Homes	Bacolod	1,726	655	37.9%	3,246	1,110	60 completed houses as of September 2025.
PHirst Park Homes	Magalang East	2,408	238	9.9%	5,769	631	Launched in October 2024
PHirst Park Homes	Impressions Gentry	1,538	264	17.2%	6,557	708	Launched in June 2025
PHirst Park Homes	Gensan	2,445	75	3.1%	6,735	142	Launched in August 2025
PHirst Park Homes	Edition Batulao Vol.2 East	753	38	5.0%	3,638	110	Launched in December 2023
PHirst Sights	Calauan	2,229	1,178	52.8%	3,239	1,438	Launched in March 2024
PHirst Park Homes	Batulao Imp	1,060	927	87.5%	2,815	2,046	Launched in 2023
TOTAL		50,265	26,700	53.1%	116,576	52,435	
GRAND TOTAL		70,581	46,521	65.9%	228,800	158,546	

PROPERTIES UNDER MANAGEMENT AS OF 30 SEPTEMBER 2025

The Company, through CPMI, 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
CPG PROJECTS				
7	Acqua Private Residences	Mandaluyong	Century Limitless Corporation	199,527
1	Asian Century Center	Makati	Century City Development Corporation	31,759
10	Azure Urban Resort Residences	Parañaque	Century Limitless Corporation	235,518
1	Centuria Medical Makati	Makati	Centuria Medical Development Corporation	74,103
1	Century City Estate Association	Makati	NA	439,698
1	Century City Mall	Makati	Century City Development Corporation	26,919
1	Century Diamond Tower	Makati	Century City Development Corporation II	63,101
1	Century Spire	Makati	Century City Development Corporation	61,533
1	Commune Village Batulao (Batulao Artscapes)	Batangas	Century Limitless Corporation	4,625
1	Knightsbridge Residences	Makati	Century City Development Corporation	64,952
1	PHirst Editions Batulao	Batangas	PHirst Park Homes Inc.	141,734
1	PHirst Impressions Hermosa	Bataan	PHirst Park Homes Inc.	145,490
1	PHirst Centrale Hermosa	Bataan	PHirst Park Homes Inc.	359,966
1	PHirst Park Homes - Baliwag	Bulacan	PHirst Park Homes Inc.	148,543
1	PHirst Park Homes - Batulao	Batangas	PHirst Park Homes Inc.	28,088
1	PHirst Park Homes - General Trias	Cavite	PHirst Park Homes Inc.	185,627
1	PHirst Park Homes - Tayabas	Quezon	PHirst Park Homes Inc.	237,500
1	PHirst Park Homes Balanga	Bataan	PHirst Park Homes Inc.	111,704
1	PHirst Park Homes Calamba	Laguna	PHirst Park Homes Inc.	61,006
1	PHirst Park Homes Gapan	Nueva Ecija	PHirst Park Homes Inc.	190,895
1	PHirst Park Homes Lipa	Batangas	PHirst Park Homes Inc.	19,509
1	PHirst Park Homes Magalang	Pampanga	PHirst Park Homes Inc.	103,370
1	PHirst Park Homes Naic	Cavite	PHirst Park Homes Inc.	238,700
1	PHirst Park Homes Pandi	Bulacan	PHirst Park Homes Inc.	183,329
1	PHirst Park Homes San Pablo	Laguna	PHirst Park Homes Inc.	179,097
1	PHirst Park Homes Tanza	Cavite	Tanza Properties Inc.	263,062
1	PHirst Sights Bay Socialized & Economic	Laguna	PHirst Park Homes Inc.	188,231
1	The Gramercy Residences	Makati	Century City Development Corporation	121,595
1	The Milano Residences	Makati	Milano Development Corporation	32,738
8	The Residences at Commonwealth	Quezon City	Century Limitless Corporation	110,407
2	The Resort Residences at Azure North	Pampanga	Century Limitless Corporation	64,327
1	Trump Tower Manila	Makati	Century City Development Corporation	55,504
1	Acqua Town Villas	Mandaluyong	Century Limitless Corporation	5,143
56				4,377,300
THIRD-PARTY PROPERTY MANAGEMENT				
1	139 Corporate Center	Makati	Antel Realty & Development Corporation	24,426
1	88 Corporate Center	Pasig	Belgen Realty Development, Inc.	37,677
1	Amoa by Aboitiz Land	Cebu	AboitizLand, Inc.	600,000
1	AvecShares Asia, Inc.	Taguig	Avecshares Asia, Inc.	12,232
1	Avida Settings Cavite	Cavite	Avida Land Corp.	610,000
1	Bel-Air Soho Condominium	Makati	Meridien East Realty & Development Corp.	9,468
1	BSA Suites Condominium	Makati	ASB Development Corp.	22,925
2	Essensa East Forbes	Taguig	Meridien East Realty & Development Corp.	115,000
2	La Nobleza Terrazas	Manila	KTL Development Corporation	40,805
1	Le Triomphe Condominium	Makati	Meridien East Realty & Development Corp.	20,239
1	One Corporate Center Ortigas	Pasig	Amberland Corporation	117,799
1	One Corporate Plaza	Makati	Inchport Realty Corporation	12,034
1	One Magnificent Mile	Pasig	Meridien Far East Properties	23,105
2	Pacific Plaza Condominium	Makati	DM Consunji, Inc. (DMCI)	72,760
2	Pacific Star Building	Makati	Penta Pacific Realty Corporation	56,822
1	Paragon Plaza	Makati	Fil Estate Properties, Inc.	71,631
1	Seafront Residences by Aboitiz Land	Batangas	AboitizLand, Inc.	430,000
1	The Globe Tower Cebu	Cebu	Prosperity Properties & Management Corp	12,031
1	The Manhattan Square Condominium	Makati	Megaworld	42,941
1	Two Lafayette Square	Makati	Megaworld Properties & Holdings, Inc.	17,189
1	Union Bank of the Philippines	Pasig	Union Bank Plaza	76,893
1	West of Ayala	Makati	Meridien East Realty & Development Corp.	30,184
26				2,456,159
FACILITY MANAGEMENT				
1	Copeland Philippines, Inc	Quezon City	NA	5,000
1	Makati Cinema Square	Makati	MCS Condominium Corporation	4,000
5	National Grid Corporation of the Phils.	Quezon City	NA	21,367
1	PNB Bacolod City	Pasay	Philippine National Bank	6,912
1	PNB Financial Center	Pasay	Philippine National Bank	45,389
1	PNB Naga City	Pasay	Philippine National Bank	4,476
2	Singapore Embassy Manila	Taguig	NA	15,000
12				102,144.31
	TOTAL PROJECTS	62	TOTAL GFA	6,935,603.25
	TOTAL BUILDINGS	94		

SEGMENT REVENUE AND NET INCOME

Nine (9)- Months ended 30 September 2025	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	2,383	-	400	1,249	-	8,377	(97)	12,312
Net Income	398	(5)	30	62	-	2,093	(473)	2,105

Nine (9)- Months ended 30 September 2024	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	2,703	0	321	1,015	0	6,680	(29)	10,690
Net Income	508	(9)	48	83	0	1,640	(501)	1,769

FTY 2024	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	3,241	-	464	1,280	-	9,732	(77)	14,640
Net Income	327	(9)	29	(13)	-	2,517	(408)	2,443

FTY 2023	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	3,587	-	463	1,587	-	7,135	(71)	12,701
Net Income	686	(9)	55	421	-	1,670	(970)	1,855

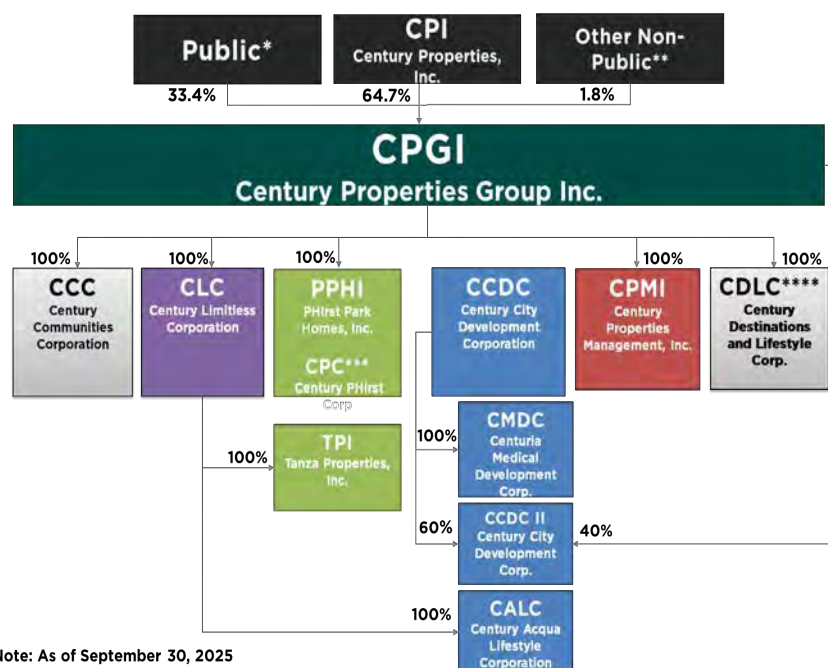
FTY 2022	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	3,148	-	422	2,438	-	5,160	(41)	11,127
Net Income	796	(7)	49	655	-	1,020	(1,110)	1,405

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.

CORPORATE STRUCTURE

The following chart shows the Company's corporate and ownership structure as of the date of this Prospectus.



Note: As of September 30, 2025

*Including 6.4% of SSS and 1.0% of Triventures

**Including 1.3% of Cuerva and other directors' nominal shares

***Merged with PPHI

****Non-operating



As of the date of this Prospectus, there are no (i) bankruptcy, receivership, or similar proceedings, and (ii) material reclassifications, merger, consolidation or purchase, or sale of a significant amount of assets.

BUSINESS GROUPS AND PRODUCTS



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.

The following are CPGI's master-planned communities with the corresponding subsidiaries:

Master Planned Community	Subsidiary
Century City	Century City Development Corporation
Acqua Private Residences	Century Limitless Corporation
Azure Urban Resort Residences	Century Limitless Corporation
The Residences at Commonwealth	Century Limitless Corporation
Canyon Ranch	Century Communities Corporation
PHirst Park Homes (32 projects)	PHirst Park Homes Inc.
The Resort Residences at Azure North	Century Limitless Corporation
Commune Village at Batulao	Century Limitless Corporation

Below is a description of each subsidiary and associate of the Company:

Century Communities Corporation (CCC)

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

Century City Development Corporation (CCDC)

CCDC, incorporated on 19 December 2006, is focused on developing mixed-use communities that contain residences, offices, and retail properties. CCDC is currently developing Century City, a 3.4-hectare mixed-use development along Kalayaan Avenue in Makati City.

Century Limitless Corporation (CLC)

CLC, incorporated on 9 July 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 proximity of quality healthcare facilities.

Century Properties Management, Inc. (CPMI)

CPMI, incorporated on 17 March 1989, is one of the largest property management companies in the Philippines, as measured by total GFA under management. CPMI has 63 projects in its portfolio, covering a total GFA of 7.075 million sq.m. (inclusive of parking) as of 30 September 2025. 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 18 safety and security distinctions from the Safety Organization of the Philippines.

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

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

PHirst Park Homes Inc. (PPHI)

PPHI, incorporated on 31 August 2018, is the first-home division and brand of CPGI. Its projects are located within the fringes of Metro Manila, and its target market is first-time homebuyers. Its current projects are located at Barangay San Lucas in Lipa City and San

Pablo, Laguna, which involve a multi-phase horizontal residential property and offer both townhouse units and single attached units. PHirst Park Homes (formerly CPGI's joint venture with Mitsubishi Corporation) has already launched 32 master-planned communities and completed 16,057 homes as of 30 September 2025.

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. Between 2001 and 2015, unmet housing need was already at 6.7 Million units. Demand for housing units is expected to increase with housing demand estimated at 5.7 Million units between 2016 and 2030, totaling to 12.4 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	918,280	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

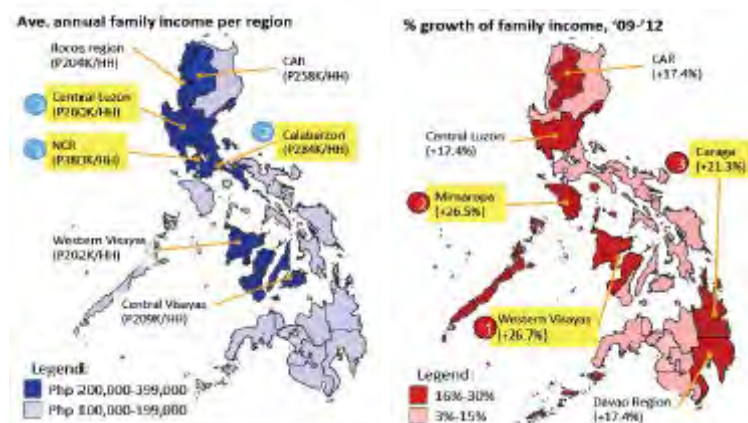
Source: SHDA, HUDCC

Estimated Regional Breakdown Housing Demand in Units (2016-2030)

Region	CANNOT AFFORD	SOC	ECO	LOW	MID	HIGH	TOTAL
NCR	21,782	73,836	470,814	179,244	28,861	3,730	778,266
CAR	17,151	22,321	46,401	12,642	1,292	257	100,064
R-I	54,991	83,671	131,355	21,634	2,860	231	294,743
R-II	37,011	64,241	87,500	15,416	1,546	-	205,715
R-III	64,649	126,653	363,368	73,380	6,546	1,930	636,526
R-IVA	86,748	156,615	453,059	107,947	14,841	3,164	822,374
R-IVB	47,339	50,982	59,247	10,704	1,338	222	170,231
R-V	91,715	105,858	98,096	13,401	1,498	270	310,839
R-VI	116,655	121,249	146,545	38,929	3,828	799	428,006
R-VII	112,184	93,038	170,820	40,185	4,260	322	420,810
R-VIII	90,948	72,278	58,139	16,965	2,049	237	240,617
R-IX	72,049	63,135	56,600	12,573	1,385	132	205,873

R-X	85,698	68,401	83,305	19,419	3,472	145	260,441
R-XI	66,959	79,534	117,378	21,162	2,365	135	287,533
R-XII	91,906	75,012	79,708	15,506	1,328	118	263,577
Caraga	39,895	68,547	37,280	2,834	91	-	148,646
ARMM	36,906	43,809	50,104	9,875	1,145	74	141,913
PHL	1,134,586	1,369,180	2,509,719	611,816	78,705	11,766	5,716,174

Source: Philippine Statistics Authority, 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 39-year track record of delivering innovative luxury, middle-income, and affordable real estate developments, 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 30 September 2025, the Company has completed 41 projects which include 36 residential projects, consisting of (a) 18,303 completed residential condominium units with an aggregate GFA of 1,279,262 sq. m. (inclusive of parking) for its vertical residential developments, and (b) 1,287 single detached homes and town villas with an aggregate GFA of 230,462 sq. m. for its Canyon Ranch, Commune Village at Batulao, and Acqua Town Villas developments.

CPGI also has five (5) commercial leasing projects with 1,286 units and GLA of 146,675 sq. m. These include the Century City Mall, Centuria Medical Makati, Asian Century Center, Century Diamond Tower, and Novotel Suites Manila.

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, 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 34 out of 38 of its vertical projects have been completed. Among these 38 projects, CPGI has already pre-sold 98% in terms of units and has remaining installment contract receivables of ₱5.1 Billion. In addition, CPGI has already pre-sold 53% in terms of houses and has remaining installment contract receivables of ₱16.6 Billion. 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 and 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 steadily expanded its businesses by carefully shifting to new product offerings which allow the Company to diversify its revenue base. With the launch of its PHirst housing projects and Century Premium residential development projects, the Company has grown its PHirst segment revenue contribution to 69% for the nine-month period in 2025 from 11% for the year 2018. Additionally, the revenue contribution of its Century Premium segment has increased to 22% for the nine-month period in 2025.

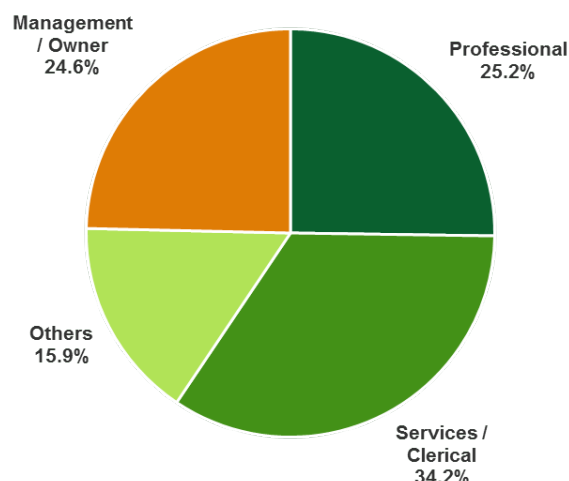
The Company is expanding rapidly in the affordable housing market. Its current projects located in Tanza, Cavite; Lipa, Batangas (2); San Pablo, Laguna; Pandi, Bulacan; Calamba, Laguna; Nasugbu, Batangas (2); Magalang, Pampanga; General Trias, Cavite; Tayabas, Quezon; Baliwag, Bulacan; Naic, Cavite; Balanga, Bataan; and Gapan, Nueva Ecija have enjoyed tremendous success, with 53% of its 50,265 units of inventory already pre-sold as of 30 September 2025.

The price of homes under PHirst ranges ₱850,000 to ₱6 Million, and currently, 82% of its buyers are first time end users, catering to the more than 6 Million home backlogs per government statistics.

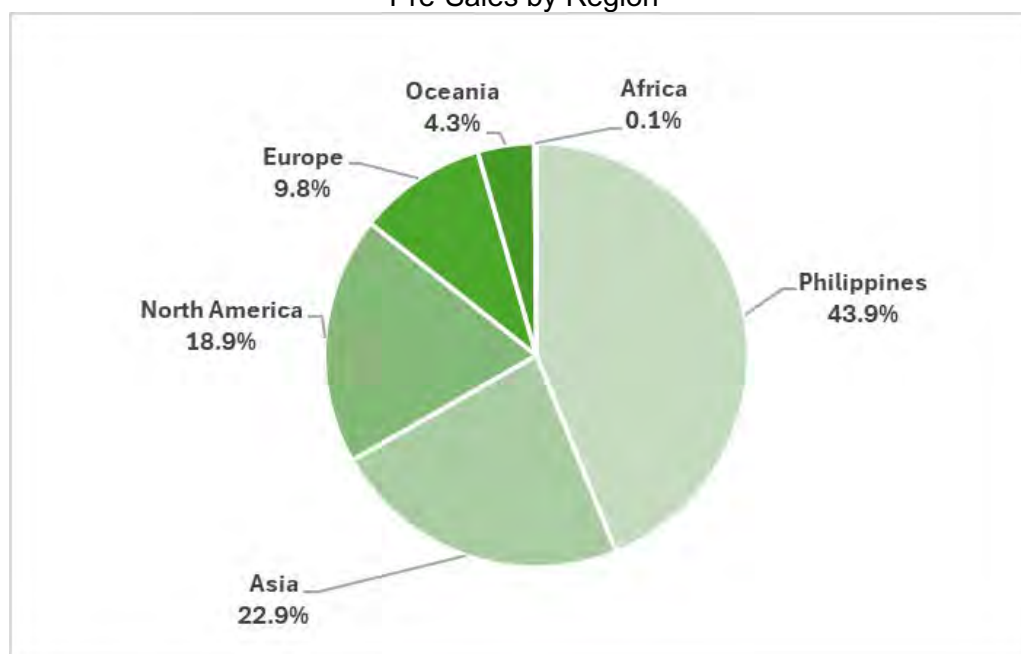
Given the success of the Company in its initial foray into affordable housing, it is allocating 67% of the proceeds of this Offer to partially fund PHirst housing development projects and 33% for Century Premium residential development projects (see “Use of Proceeds” on page 84 of this Prospectus).

Strong 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 50 countries, enabling it to derive approximately 56% of its pre-sales from overseas. The company's OFW customer base is largely formed of professionals, management, and services/clerical employees.



Pre-Sales by Region



The Company utilizes its local and international marketing network and believes it is one of the industry-leading overseas sales and marketing presence. The Company's local and international marketing and distribution network consist of 3,661 sales agents, including 3,012 commission-based sales agents and 649 subsidized sales agents as of 31 December 2025. For fiscal year 2026, the Company expects to accredit 691 sales agents and brokers, classified as casual sellers. . The Company also conducts international roadshows, which directly generate significant pre-sales while also increasing its brand presence. In addition, the Company has an online sales platform, which allows its overseas customers to access their statements and enables its agents to market its projects in real time.

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. 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 a slight decline to US\$33.2 Billion but recovered to US\$34.9 Billion in 2021 and further increased to US\$36.2 Billion in 2022 despite the COVID-19 pandemic. In 2023 and 2024, OFW remittances amounted to US\$37.2 Billion and US\$38.3 Billion, respectively. From January to September 2025, OFW remittances amounted to US\$29.0 Billion.

Experienced management team

The Company has an experienced management team that has been with the Company since its founding, with an average of 32 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:

Leveraging "Twin Engine" growth strategy

To maximize its long-term growth potential, the Company has implemented a "Twin Engine Strategy", which emphasizes the simultaneous expansion of two key complementary business segments: PHirst and Century Premium.

PHirst continues to benefit from an undersupplied market with the sustained demand from first-time homebuyers. CPGL is committed to making homeownership more accessible for Filipinos, particularly in emerging provinces and regional hubs that are benefiting from improved infrastructure.

Meanwhile, Century Premium caters to a different demographic, providing high-end, aspirational homes for discerning buyers. Both segments complement each other, providing balance and ensuring resilience, as we meet the needs of diverse customer bases across multiple price points.

In addition to focusing on residential development, CPGL continues to maintain its commercial leasing and property management operations, supporting the creation of integrated communities for residents and clients while helping preserve the long-term value of its assets. By maintaining and managing properties, CPGL strengthens its brand as a developer who doesn't just build but also ensures quality after turnover. The Company's aim is not only to provide homes but also to foster thriving, well-managed developments that enrich the lives of its customers.

Geographic expansion to achieve nationwide presence

The Company is aggressively expanding beyond the National Capital Region. In 2024, its PHirst segment launched projects in North Luzon, South Luzon, and even ventured into the Visayas. This aligns with government infrastructure investments. CPGL sees rising

connectivity (roads, infrastructure) as a tailwind to fuel housing demand in provincial / emerging growth corridors.

PHirst plans to launch 35 new projects over the next five (5) years, delivering approximately 50,000 units across roughly 490 hectares, targeting underserved yet high-potential areas.

PPHI is CPGI's First-Home Residential Development Platform catering to the first-home market via a range of product lines in the socialized and low-economic (₱580,000.00 - ₱1.5 Million), high-economic to affordable (₱1.5 Million - ₱3.2 Million), and mid-income (₱3.2 Million - ₱8 Million) segments, essentially covering the full spectrum of the 6.5 Million housing backlog in the Philippines.

By the end of September 2025, PPHI would have mustered a portfolio of 32 active projects spanning 8 provinces within the CALABARZON and Central Luzon regions, including its successful entry into the Visayas and Mindanao areas by way of PPH Bacolod.

Within the next three (3) to five (5) years, PPHI will mount an accelerated expansion plan to achieve its programmed nationwide presence, launching at least five (5) high-margin projects annually in targeted market hotspots. Internally generated funds and external capital sourcing will fund the completion of existing projects while at the same time seed much needed land acquisition efforts. As such, PPHI will continue to be CPGI's revenue and net income driver.

The Company is allocating 67% and 33% of the proceeds of this Offer to partially fund PHirst and Century Premium residential development projects, respectively (see "Use of Proceeds" on page 84 of this Prospectus).

Maintain a stable and positive operating cashflow and recurring earnings from commercial leasing portfolio

As of 30 September 2025, the Company has five (5) commercial leasing projects with 1,286 units and GLA of 146,675 sq. m. These include the Century City Mall, Centuria Medical Makati, Asian Century Center, Century Diamond Tower and Novotel Suites Manila. During the pandemic, CPGI opted to defer the launch of large leasing projects given high capital expenditure requirements and long payback period business model. The Company is expecting to generate operating cashflow of around ₱1.56 Billion from the Commercial Leasing segment in the next five (5) years.

CPGI will continue to market the un-leased spaces to improve its 64% occupancy rate as of 30 September 2025. At the same time, the Company will launch leasing projects across PPHI developments. Pilot communities will be Batulao, Tanza, San Pablo and Lipa with a total land area of 36,325 sqm.

In addition to its existing and planned leasing projects, the Company is seeking to develop more leasing projects in strategic locations with high foot traffic in the coming years.

PROPERTY DEVELOPMENT PROJECTS

As one of the leading real estate developers in the Philippines, CPGI prides itself in 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. Each tower is expected to 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 will 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 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 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. Barbados, the last tower, is already completed and is expected to be turned over to buyers in December 2025.

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 the interiors of its amenities and common areas are designed by Armani Casa. The 52-story tower has a total GFA (inclusive of parking) of 92,138 sq. m. and 360 residential units, 184 office units, and 8 retail units for sale. Century Spire has 21 residential floors, 24 floors of office space, and 2 floors of retail space.



Century Diamond Tower

CPGI 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 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 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 24 August 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 Corporation's common shares in CCDCL. The transaction, which was approved by the PCC on 11 August 2020, made CCDCL a wholly-owned subsidiary of CPGI.



The Residences at Commonwealth



It is a 4.4-hectare project of CPGL and its first master-planned residential community development in Quezon City. The eight (8)-tower project is located along 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.

In December 2022, the last tower at The Residences at Commonwealth, Quezon South, was completed. All eight (8) towers of the 4.4-hectare project of CPGI located in its first master-planned residential community development in Quezon City have been completed.

Canyon Ranch

Canyon Ranch Phase 1 and Phase 2



The Canyon Ranch development in Carmona, Cavite is a community south of Manila containing single-family detached homes, single attached homes, duplexes, 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 Alabang Town Center, Festival Mall, SM Dasmariñas, Pavillion Mall, and Robinsons Place Dasmariñas. As of 30 September 2025, all 925 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 163 homes, it offers an alternative home concept to practical urban families with its uplifting minimalist architecture and green design.

Asian Century Center

Asian Century Center, which is approximately 85% leased out as of September 2025, 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 Corporation, 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.

Commune Village at Batulao

Commune Village is a 6.5-hectare horizontal residential 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, 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. New home models Kaizen (2BR) and Sansa (3BR) are also being offered in Commune Village. The project is a fresh take on minimalist design, updated with the new living preferences of buyers in mind.

It is anchored on four (4) pillars: Integrated, Connected, Accessible, and Sustainable. The community has features that can reduce maintenance costs and increase the vitality of the community — from solar-powered streetlights to water pumps that reduce power consumption. Plans are also well underway for recreational and retail establishments that cater to a broader range of cultural preferences and will further increase the commercial value of its land.

The community is a 1.5 to 2-hour drive from Makati via 4 access points through: (1) Daang Hari Road towards the scenic Nasugbu-Kaybiang Tunnel; (2) Star Tollway to Tanauan Exit; (3) SLEX; and (4) 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, PHirst Park Homes San Pablo in March 2019, PHirst Park Homes Pandi in October 2019, PHirst Park Homes Calamba in November 2019, PHirst Park Homes Batulao in December 2019, and PHirst Park Homes Magalang in November 2020.

PHirst Park Homes launched projects from July to August 2021, including 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. PHirst Park Homes Naic and PHirst Park Homes Balanga were launched in the fourth quarter of 2021 and second quarter of 2022, respectively.

The Company, through PHirst Park, launched PHirst Park Homes Naic and PHirst Park Homes Balanga in the fourth quarter of 2021 and the second quarter of 2022, respectively, with 400 houses valued at ₱0.7 Billion and 732 houses valued at ₱1.2 Billion. The Company launched its maiden middle-income development, PHirst Editions Batulao, a horizontal residential project in Nasugbu, Batangas and located adjacent to the existing PHirst Park Homes Batulao community. PHirst Editions Batulao spans 14 hectares and will house 629 units with a project sales value of ₱3.1 Billion for middle income, priced from ₱3.2 Million to ₱6 Million. The Company also included in its project portfolio PHirst Sights in Bay Laguna with 1,816 houses valued at ₱2.1 Billion, a product that will cover segments from socialized housing with units priced at ₱580,000, to economic housing with units ranging from ₱800,000 to ₱1.7 Million. The Company also ventured in its first mixed-use development at PHirst Centrale in Hermosa, Bataan with 528 houses valued at ₱1 Billion and 21 commercial lots at ₱0.6 Billion.

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 Wi-Fi zones and a shuttle service, and a convenient and simplified selling and buying experience.



Century PHirst Corporation

On 23 February 2023, CPGI announced the expansion of its first home market residential offerings through CPC, a wholly-owned subsidiary of CLC. CPGI, through CPC, will venture into the socialized, economic, and mid-income residential markets. CLC is a wholly-owned subsidiary of CPGI.

CPC is introducing its version of a mixed-use format which will have multiple residential product offerings, as well as support commercial, retail, and institutional components. These expansion efforts bring forth a broader range of housing packages and price points to provide first-time home buyers with a wider set of options to acquire their very own home.

CPC's flagship projects are: (1) PHirst Editions Batulao located in Nasugbu, Batangas, which was launched in October 2022; (2) PHirst Sights Bay in Laguna, which was launched in December 2022; (3) PHirst Centrale Hermosa in Bataan, which was launched in December 2022 (PHirst Fairgrounds) and May 2023 (PHirst Impressions); and (4) PHirst Sights Calauan which was launched in May 2024.

PHirst Editions Batulao, Century PHirst's maiden middle-income development, is a horizontal residential project in Nasugbu, Batangas and is located adjacent to the existing PHirst Park Homes Batulao community. PHirst Editions Batulao spans 14 hectares and will house 629 units with a project sales value of ₱3.1 Billion for middle income, priced from ₱3.2 Million to ₱6 Million.

PHirst Sights Bay in Laguna, with 2,263 houses valued at ₱3.02 Billion, is a project that will cover segments from socialized housing with units priced at ₱580,000.00 to economic housing with units ranging from ₱800,000.00 to ₱1.7 Million.

To round up its expansion plan, CPC also ventured into PHirst Centrale Hermosa, its first mixed-use township in Bataan, which will have multiple residential product offerings and will support commercial, retail, and institutional components. Launched in May 2023, PHirst Impressions Centrale Hermosa is a townhouse development that occupies 15.6 hectares with 1,574 units valued at around ₱3.1 Billion. Unit prices range from ₱1.7 to ₱ 2.5 Million.

Alongside PHirst Impressions is PHirst Fairgrounds, PHirst Centrale Hermosa's commercial component launched in December 2022. This 3.1-hectare development offers lot cuts ranging from 503 to 1,531 sq.m., with the first phase valued at ₱1.4 Billion.

In November 2024, PPHI acquired all of the outstanding capital of CPC. In February 2025, the Board of Directors of both PPHI and CPC approved the merger of the two (2) entities, with PPHI as the surviving entity. The SEC approved its merger with PPHI effective 31 July 2025. These expansion efforts of PPHI bring forth a broader range of housing packages and price points to provide first-time home buyers with a wider set of options to acquire their very own home.

LAND BANK

The Company has an aggregate land bank with a site area of 2,949,485 sq.m. as of 30 September 2025. 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	6,693	Mixed Use with Mid Rise Condo and Leasing Assets
Katipunan, Quezon City	2,360	Mixed Use with Mid Rise Condo and Leasing Assets
Novaliches, Quezon City	373,623	Mixed Use with Mid Rise Condo and Leasing Assets
San Fernando, Pampanga	55,132	Mixed Use with Mid Rise Condo and Leasing Assets
Batulao	87,677	Commercial leasing
Palawan	564,169	Leisure / Tourism
San Fernando, Pampanga	93,194	Horizontal Housing
General Trias, Cavite	249,965	Horizontal Housing
Lipa, Batangas	22,107	Horizontal Housing
San Pablo, Laguna	925	Horizontal Housing
Pandi, Bulacan	179,909	Horizontal Housing
General Trias, Cavite	37,415	Horizontal Housing
Tayabas, Batangas	101,984	Horizontal Housing
Naic, Cavite	50,301	Horizontal Housing
Balanga, Bataan	49,510	Horizontal Housing
Gapan, Nueva Ecija	93,007	Horizontal Housing
Bacolod	96,816	Horizontal Housing
Calamba West	41,420	Horizontal Housing
San Pablo East	176,285	Horizontal Housing
Sights Bay, Batangas	6,333	Horizontal Housing
Hermosa, Bataan	103,524	Horizontal Housing
Sto Tomas, Batangas	127,449	Horizontal Housing
Magalang, Pampanga	191,757	Horizontal Housing

Baliwag, Bulacan	81,287	Horizontal Housing
Impression Gen Trias	131,732	Horizontal Housing
General Santos	24,912	Horizontal Housing
Total	2,949,485	

Employees

As of 31 December 2025 and 31 December 2024, CPGI and its Subsidiaries employed 1,528 and 1,159 employees, respectively. From January through December 2025, the Company hired an aggregate of 53 managerial-level employees across its business segments. For fiscal year 2026, the Company expects to hire approximately 631 additional employees.

The Company's employees are primarily engaged in development operations, construction, property management, and sales and marketing activities. As of 31 December 2025, CPGI and its Subsidiaries maintained a local and international marketing and distribution network consisting of 3,661 sales agents, including 3,012 commission-based sales agents and 649 subsidized sales agents. For fiscal year 2026, the Company expects to accredit 691 sales agents and brokers, classified as casual sellers. CPGI and its Subsidiaries have entered into an expense allocation agreement pursuant to which the costs associated with these sales and marketing services are allocated and recorded within general, administrative, and selling expenses.

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

	31 December 2025	31 December 2024
Development operations	824	507
Sales and marketing	122	96
Construction	14	16
Property management	568	540
Total	1,528	1,159
Agents:		
Subsidized agents	649	737
Agents on commission	3,012	3,739
Total	3,661	4,476

In order to fulfill the manpower requirements, the Company subscribes to local and international job portals, job fairs, and executive search, and advertises 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 opportunities.

CPGI employees are 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 a housing program, an employee stock option plan and a 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 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 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, now DHSUD, 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:

	2022 (₱ in Millions)	2023 (₱ in Millions)	2024 (₱ in Millions)	9M 2025 (₱ in Millions)
Construction cost incurred	4,029	4,104	4,374	4,325
Real Estate Revenue	9,231	10,795	12,759	11,130
% to Real Estate Revenue	43.6%	38.0%	34.3%	38.9%

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 Company's local

and international marketing and distribution network consists of 3,661 sales agents, including 3,012 commission-based sales agents and 649 subsidized sales agents as of 31 December 2025. For fiscal year 2026, the Company expects to accredit 691 sales agents and brokers, classified as casual sellers.

The Company's advertising and promotional campaigns include the use of showrooms, 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 a non-refundable, non-transferable pre-sale fee that is valid for thirty (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.

The Company offers in-house financing as a temporary option to qualified buyers who are still completing their documentary requirements for loan financing, with interest rates ranging from 12% to 18%. This payment option accounts for only 1% of the total collection and 5% of the total sold inventory.

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.

CPGI is one of the leading PSE-listed property companies with the fastest NIAT growth in 2024 and January to September 2025.

Rank	PSE-Listed Property Company	FY 2024 NIAT (in ₱ Million)	FY 2023 NIAT (in ₱ Million)	Growth Rate
1	Shang Properties, Inc.	9,972	6,102	63.4%
2	Century Properties Group Inc.	2,443	1,855	31.7%
3	Rockwell Land Corporation	4,113	3,400	21.0%
4	Ayala Land, Inc.	34,236	29,004	18.0%
5	Robinsons Land Corporation	15,341	13,372	14.7%
6	SM Prime Holdings, Inc.	46,539	40,864	13.9%
7	Sta. Lucia Land, Inc.	4,240	3,734	13.6%
8	Megaworld Corporation	21,667	19,401	11.7%
9	Filinvest Land, Inc.	4,636	4,296	7.9%
10	Anchor Land Holdings, Inc.	648	621	4.3%
11	Cebu Landmasters, Inc.	3,998	3,836	4.2%
12	Global-Estate Resorts, Inc.	2,157	2,110	2.2%
13	Vista Land & Lifescapes, Inc.	9,368	10,292	-9.0%
14	Empire East Land Holdings, Inc.	680	758	-10.2%
15	Arthaland Corporation	758	1,389	-45.4%
16	DoubleDragon Corporation	8,406	15,927	-47.2%
17	D.M. Wenceslao & Associates, Inc.	2,123	7,329	-71.0%

Source: PSE Edge

**Includes ₱5.2 Billion gain in fair value adjustment in investment properties*

Rank	PSE-Listed Property Company	9M 2025 NIAT (in ₱ Million)	9M 2024 NIAT (in ₱ Million)	Growth Rate
1	Century Properties Group Inc.	2,104	1,801	16.8%
2	Rockwell Land Corporation	3,558	3,092	15.1%
3	Megaworld Corporation	17,930	15,686	14.3%
4	SM Prime Holdings, Inc.	37,889	34,551	9.7%

5	Cebu Landmasters, Inc.	3,098	2,913	6.3%
6	Filinvest Land, Inc.	3,641	3,468	5.0%
7	Empire East Land Holdings, Inc.	618	591	4.5%
8	Vista Land & Lifescapes, Inc.	9,462	9,076	4.3%
9	Robinsons Land Corporation	12,066	11,598	4.0%
10	D.M. Wenceslao & Associates, Inc.	1,447	1,409	2.7%
11	Ayala Land, Inc.	25,740	25,262	1.9%
12	DoubleDragon Corporation	2,550	2,533	0.7%
13	Global-Estate Resorts, Inc.	1,366	1,505	-9.2%
14	Anchor Land Holdings, Inc.	313	409	-23.5%
15	Shang Properties, Inc.	2,998	4,696	-36.2%
16	Sta. Lucia Land, Inc.	2,046	3,298	-38.0%
17	Arthaland Corporation	366	790	-53.7%

Source: PSE Edge

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 setting up various marketing offices abroad to cater to foreign customers, Filipinos based abroad and OFWs.

Suppliers

The Company has a broad base of suppliers both local and international. The Company is not dependent on one or a limited number of suppliers.

Customers

The Company has a broad market base including local and foreign individual and institutional clients. The Company is not dependent on a single or few clients.

Intellectual Property

The Company through its Subsidiaries has several trademarks/trade name and logos registered with the IPOPHL. 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	For renewal
The Gramercy Residences	4-2007-003346	08/13/2007	For renewal

Century City Development Corporation	4-2007-003034	08/13/2007	For renewal
The Gramercy Residences at Century City	4-2007-003343	08/13/2007	For renewal
MOMA the Modern Makati	4-2007-004279	10/29/2007	For renewal
Century City	4-2007-003035	08/13/2007	For renewal
Century City Mall	4-2013-001793	02/18/2013	For renewal
Century City Mall	4-2013-001794	07/25/2013	For renewal
The Milano Residences	4-2024-00531878	11/19/2024	Active
The Milano Residences	4-2024-00531879	11/19/2024	Active

Century Limitless Corporation

Trademark Title	Registration No.	Registration Date	Status
Acqua Private Residences	4-2010-009211	09/15/2011	For renewal
Acqua Private Residences and Design	4-2010-009212	09/15/2011	For renewal
The Pebble	4-2011-003766	09/15/2011	For renewal
Niagara Tower	4-2011-003771	09/15/2011	For renewal
Sutherland Tower	4-2011-003772	09/15/2011	For renewal
Dettifoss Tower	4-2011-003770	09/15/2011	For renewal
Iguazu Tower	4-2011-003769	09/15/2011	For renewal
Azure Urban Resort Residences	4-2025-507168	03/17/2025	Active
Azure Urban Resort Residences with a Rectangle	4-2025-507166	03/17/2025	Active
Azure Urban Resort Residences with a Rectangle Active	4-2025-507165	03/17/2025	Active
The Residences at Commonwealth by Century and Logo	4-2012-009282	07/27/2012	For renewal
Nova by Century	4-2013-00009720	08/14/2013	For renewal
Novacity by Century	4-2013-00009728	08/14/2013	For renewal
Azure	4-2017-009341	12/08/2019	Active
Azure North	4-2025-00507167	03/18/2025	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

Trademark Title	Registration No.	Registration Date	Status
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
Monaco at Azure North	4-2017-009357	03/31/2019	Active
Bali at Azure North	4-2017-009358	03/31/2019	Active
Batulao Artsclapes	4-2017-009367	11/09/2017	Active
Batulao Artsclapes	4-2017-009368	06/16/2017	Active
Commune Village at Batulao	4-2023-00528008	11/09/2024	Active
The Hotel Residences At Acqua	4-2024-00503024	10/14/2024	Active
Artventure	4-2017-011921	07/28/2017	For renewal
Artscapes	4-2017-011920	07/28/2017	For renewal
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
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	Pending review of application
Century Estate Prima Homes At Batulao And Logo	4-2021-515437	07/01/2021	Pending review of application
Century Prima Residences At Acqua And Logo	4-2021-515446	07/01/2021	Pending review of application
Century Prima Residences At Katipunan And Logo	4-2021-515440	07/01/2021	Pending review of application
Century Prima New Generation Living With Aqua Background And Logo	4-2021-515443	07/01/2021	Pending review of application
Century Prima And Logo	4-2021-515444	07/01/2021	Pending review of application
Century City Prima Towers At San Fernando And Logo	4-2021-515445	07/01/2021	Pending review of application
AZURE/VILLAS	4-2025-00504358	03/31/2025	Active
AZURE/VILLAS	4-2025-00504359	03/31/2025	Active
AZURE/VILLAS	4-2025-00504360	03/31/2025	Active
AZURE/VILLAS SAN FERNANDO, PAMPANGA	4-2025-00504361	02/18/2025	Active

Century Communities Corporation

Trademark Title	Registration No.	Registration Date	Status

Century Communities and Device	4-2007-003036	08/13/2007	For refiling with the IPOPHL ⁵

Century Destinations and Lifestyle Corp.

Trademark Title	Registration No.	Registration Date	Status
Destinations by Century Properties	4-2018-00011086	07/14/2019	Active
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	For refiling with the IPOPHL ⁶

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 30 September 2025.

As of 30 September 2025, 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, as of 30 September 2025.

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
Century Properties Group Inc.				
SEC	Certificate of Incorporation	13 March 1975	N.A.	Valid and subsisting.
LGU of Makati City	Business Permit	1 February 2025	31 December 2025	Ongoing renewal for the year 2026.
BIR	Certificate of Registration	17 June 1998	N.A.	Valid and subsisting.

⁵ Project development has been completed.

⁶ The trademark "Cape San Vicente" has not yet been used.

Century City Development Corporation				
SEC	Certificate of Incorporation	19 December 2006	N.A.	Valid and subsisting.
LGU of Makati City	Business Permit	3 February 2025	31 December 2025	Ongoing renewal for the year 2026.
LGU of Makati City	Business Permit-Lessor CC Mall	3 February 2025	31 December 2025	Ongoing renewal for the year 2026.
LGU of Taguig City	Business Permit-Lessor (Asian Century Center)	23 January 2025	31 December 2025	Ongoing renewal for the year 2026.
BIR	Certificate of Registration	19 December 2006	N.A.	Valid and subsisting.
Century Communities Corporation				
SEC	Certificate of Incorporation	15 March 1994	N.A.	Valid and subsisting.
LGU of Municipality of Carmona, Province of Cavite	Business Permit	17 January 2025	31 December 2025	Ongoing renewal for the year 2026.
BIR	Certificate of Registration	20 June 1994	N.A.	Valid and subsisting.
Century Limitless Corporation				
SEC	Certificate of Incorporation	19 July 2008	N.A.	Valid and subsisting.
LGU of Mandaluyong City	Business Permit	31 January 2025	31 December 2025	Ongoing renewal for the year 2026.
LGU of Mandaluyong City	Business Permit	31 January 2025	31 December 2025	Ongoing renewal for the year 2026.
LGU of Quezon City	Business Permit	11 November 2025	11 November 2026	Valid and subsisting.
LGU of Parañaque City	Business Permit	17 February 2025	31 December 2025	Ongoing renewal for the year 2026.
LGU of San Fernando, Pampanga	Business Permit	10 April 2025	31 December 2025	Ongoing renewal for the year 2026.
LGU of Batulao, Batangas	Business Permit	20 January 2025	31 December 2025	Ongoing renewal for the year 2026.
BIR	Certificate of Registration	14 July 2008	N.A.	Valid and subsisting.
Century Properties Management, Inc.				
SEC	Certificate of Incorporation	17 March 1989	N.A.	Valid and subsisting.
LGU of Makati City	Business Permit	22 January 2025	31 December 2025	Ongoing renewal for the year 2026.
BIR	Certificate of Registration	1 January 1996	N.A.	Valid and subsisting.
Century Destinations and Lifestyle Corp. (formerly CENTURY PROPERTIES HOTEL AND LEISURE, INC.)				

SEC	Certificate of Incorporation	27 March 2014	N.A.	Valid and subsisting.
LGU of Makati City	Business Permit	3 February 2025	31 December 2025	Ongoing renewal for the year 2026.
BIR	Certificate of Registration	8 April 2014	N.A.	Valid and subsisting.

ISSUING AGENCY	PROJECT NAME	TITLE OF PERMIT/LICENSE	PERMIT/LICENSE NO.	ISSUANCE DATE	VALIDITY/EXPIRATION DATE	STATUS/REMARKS
CENTURY CITY DEVELOPMENT CORPORATION						
HLURB/ DHSUD	GRAMERCY	LICENSE TO SELL	26948	31 MAY 2013	N.A.	Valid and Subsisting
HLURB/ DHSUD	KNIGHTSBRIDGE	LICENSE TO SELL	20226	24 OCTOBER 2008	N.A.	Valid and Subsisting
HLURB/ DHSUD	CENTURIA MEDICAL	LICENSE TO SELL	25672	02 APRIL 2012	N.A.	Valid and Subsisting
HLURB/ DHSUD	MILANO	LICENSE TO SELL	25038	09 NOVEMBER 2010	N.A.	Valid and Subsisting
HLURB/ DHSUD	TRUMP	LICENSE TO SELL	26183	04 SEPTEMBER 2012	N.A.	Valid and Subsisting
HLURB/ DHSUD	SPIRE	LICENSE TO SELL	029323	09 JANUARY 2015	N.A.	Valid and Subsisting
DENR-EMB-NCR		ECC	ECC-NCR-0710-0089 (AMENDED)	24 JUNE 2013	N.A.	Valid and Subsisting
CENTURY LIMITLESS CORPORATION (ACQUA)						
HLURB/ DHSUD	NIAGARA	LICENSE TO SELL	25631	13 FEBRUARY 2012	N.A.	Valid and Subsisting
HLURB/ DHSUD	SUTHERLAND	LICENSE TO SELL	26132	21 JUNE 2012	N.A.	Valid and Subsisting
HLURB/ DHSUD	DETTIFOSS	LICENSE TO SELL	26229	15 OCTOBER 2012	N.A.	Valid and Subsisting
HLURB/ DHSUD	LIVINGSTONE	LICENSE TO SELL	26972	04 JULY 2013	N.A.	Valid and Subsisting
HLURB/ DHSUD	IGUAZU	LICENSE TO SELL	28552	07 FEBRUARY 2014	N.A.	Valid and Subsisting
HLURB/ DHSUD	ACQUA BUILDING 6 (NOVOTEL)	LICENSE TO SELL	030967	24 FEBRUARY 2016	N.A.	Valid and Subsisting
DENR-EMB-NCR		ECC	ECC-NCR-1009-0324 (AMENDED)	28 SEPTEMBER 2010	N.A.	Valid and Subsisting
CENTURY LIMITLESS CORPORATION (AZURE SOUTH)						
HLURB/ DHSUD	RIO	LICENSE TO SELL	24077	05 NOVEMBER 2010	N.A.	Valid and Subsisting
HLURB/ DHSUD	SANTORINI	LICENSE TO SELL	23646	20 AUGUST 2010	N.A.	Valid and Subsisting
HLURB/ DHSUD	ST. TROPEZ	LICENSE TO SELL	25655	09 MARCH 2012	N.A.	Valid and Subsisting
HLURB/ DHSUD	POSITANO	LICENSE TO SELL	26378	20 DECEMBER 2012	N.A.	Valid and Subsisting
HLURB/ DHSUD	MIAMI	LICENSE TO SELL	26379	20 DECEMBER 2012	N.A.	Valid and Subsisting
HLURB/ DHSUD	MAUI	LICENSE TO SELL	26395	08 JANUARY 2013	N.A.	Valid and Subsisting
HLURB/ DHSUD	MALDIVES	LICENSE TO SELL	26396	08 JANUARY 2013	N.A.	Valid and Subsisting
HLURB/ DHSUD	BAHAMAS	LICENSE TO SELL	28491	03 DECEMBER 2013	N.A.	Valid and Subsisting

ISSUING AGENCY	PROJECT NAME	TITLE OF PERMIT/LICENSE	PERMIT/LICENSE NO.	ISSUANCE DATE	VALIDITY/EXPIRATION DATE	STATUS/REMARKS
HLURB/ DHSUD	BORACAY	LICENSE TO SELL	27016	13 SEPTEMBER 2013	N.A.	Valid and Subsisting
DENR-EMB-NCR		ECC	ECC-NCR-0910-0035	28 SEPTEMBER 2015	N.A.	Valid and Subsisting
CENTURY LIMITLESS CORPORATION (AZURE NORTH)						
HLURB/ DHSUD	MONACO	Provisional LICENSE TO SELL	2020-12-147	21 DECEMBER 2020	N.A.	Valid and Subsisting
HLURB/ DHSUD	BALI	Provisional LICENSE TO SELL	2020-12-148	21 DECEMBER 2020	N.A.	Valid and Subsisting
HLURB/ DHSUD	BARBADOS	LICENSE TO SELL	030665	09 OCTOBER 2015	N.A.	Valid and Subsisting
DENR-EMB-REGIONAL OFFICE NO. III		ECC	ECC-REF. CODE NO. R03-1403-0128	28 APRIL 2022	N.A.	Valid and Subsisting
CENTURY LIMITLESS CORPORATION (COMMONWEALTH)						
HLURB/ DHSUD	OSMEÑA WEST	LICENSE TO SELL	28528	23 DECEMBER 2013	N.A.	Valid and Subsisting
HLURB/ DHSUD	QUEZON NORTH	LICENSE TO SELL	032499	23 NOVEMBER 2017	N.A.	Valid and Subsisting
HLURB/ DHSUD	ROXAS EAST	LICENSE TO SELL	28613	07 MAY 2014	N.A.	Valid and Subsisting
HLURB/ DHSUD	OSMEÑA EAST	LICENSE TO SELL	032500	23 NOVEMBER 2017	N.A.	Valid and Subsisting
HLURB/ DHSUD	QUIRINO WEST	LICENSE TO SELL	033301	23 NOVEMBER 2017	N.A.	Valid and Subsisting
HLURB/ DHSUD	ROXAS WEST	LICENSE TO SELL	032498	23 NOVEMBER 2017	N.A.	Valid and Subsisting
HLURB/ DHSUD	QUIRINO EAST	LICENSE TO SELL	032497	23 NOVEMBER 2017	N.A.	Valid and Subsisting
HLURB/ DHSUD	QUEZON SOUTH	LICENSE TO SELL	033302	23 NOVEMBER 2017	N.A.	Valid and Subsisting
DENR-EMB-NCR		ECC	ECC-NCR-1204-0132	14 MAY 2012	N.A.	Valid and Subsisting
CENTURY COMMUNITIES CORPORATION (NOVA)						
DENR-EMB-NCR		ECC	ECC-NCR-1507-0280	16 JULY 2015	N.A.	Valid and Subsisting

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.

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 30 September 2025 and 31 December 2024, the amounts due from related parties are ₱1,278.61 Million and ₱1,357.80 Million, respectively.

The amounts due to related parties of the Company amounted to ₱69.95 Million and ₱70.41 Million, as of 30 September 2025 and 31 December 2024, respectively.

Related party transactions are disclosed in the Company's reviewed consolidated financial statements as of 30 September 2025 and audited consolidated financial statements as of 31 December 2024, 2023, and 2022 under "Related Party Transactions".

MATERIAL AGREEMENTS

The Company and its Subsidiaries, in the ordinary course of their trade and business, have executed material agreements for land acquisition, service agreements and licensing agreements with partner global brands, and insurance contracts.

Likewise, the Company and its Subsidiaries execute standard contracts to sell 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 for the sale of the condominium units is executed upon full payment of all installments due for the purchase of the unit.

As of the date of this Prospectus, the Company nor its Subsidiaries have no material contracts as defined under Annex C, Rule 12 of the SRC.

DESCRIPTION OF PROPERTIES

The following is a list of properties owned by the Company and its Subsidiaries as of 30 September 2025. 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 their 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 twelve (12) months and the same will be disclosed to the SEC once finalized.

CENTURY CITY	OWNER'S NAME	TCT NOS.	ADDRESS	DESCRIPTION AND USE	MORTGAGED OR NOT MORTGAGED
KNIGHTSBRIDGE	CENTURY CITY DEVELOPMENT CORP.	TCT NO. 006-2013000519	Valdez St., corner Spring St., Makati City	Residential/	Not Mortgaged
CENTURIA	CENTURIA MEDICAL DEVELOPMENT CORP.	TCT NO. 224340	Valdez St., Makati City	Retail/Office	Not Mortgaged
MILANO	MILANO DEVELOPMENT CORP.	TCT NO. 006-2015000268	Spring St., Makati City	Residential/	Not Mortgaged
TRUMP	CENTURY CITY DEVELOPMENT CORP.	TCT NO. 006-2011000941	Salamanca St., Makati City	Residential	Not Mortgaged
CENTURY DIAMOND (FORBES)	CENTURY CITY DEVELOPMENT II CORP.	TCT NO. 006-2022001062	B. Valdez St., Makati City	Commercial	Mortgaged
SPIRE	CENTURY CITY DEVELOPMENT CORP.	TCT NO. 006-2014000691	Gen. Luna St., Makati City	Residential/ Office	Not Mortgaged
CENTURY CITY MALL	CENTURY CITY DEVELOPMENT CORP.	TCT NO. 006-2011000940	Kalayaan Ave., Makati City	Commercial/ Retail	Mortgaged

CLC – ACQUA	OWNER'S NAME	TCT NOS.	ADDRESS	DESCRIPTION AND USE	MORTGAGED OR NOT MORTGAGED
NIAGARA	CENTURY LIMITLESS CORPORATION	TCT NO. 008-2011000713	Brgy. Hulo, Mandaluyong	Residential	Not Mortgaged
SUTHERLAND	CENTURY LIMITLESS CORPORATION	TCT NO. 008-2011000714	Brgy. Hulo, Mandaluyong	Residential	Not Mortgaged
DETTIFOSS	CENTURY LIMITLESS CORPORATION	TCTC NO. 008-2011001016	Brgy. Hulo, Mandaluyong	Residential	Not Mortgaged
LIVINGSTONE	CENTURY LIMITLESS CORPORATION	TCT NO. 008-2011001017	Brgy. Hulo, Mandaluyong	Residential	Not Mortgaged
IGUAZU	CENTURY LIMITLESS CORPORATION	TCT NO. 008-2011001018	Brgy. Hulo, Mandaluyong	Residential	Not Mortgaged
HOTEL RESIDENCES	CENTURY LIMITLESS CORPORATION	TCT NO. 008-2011000715	Brgy. Hulo, Mandaluyong	Hotel / Residential	Not Mortgaged
PEBBLE	CENTURY LIMITLESS CORPORATION	TCT NO. 008-2017000906	Brgy. Hulo, Mandaluyong	Retail	Not Mortgaged

CLC – AZURE	OWNER'S NAME	TCT NOS.	ADDRESS	DESCRIPTION AND USE	MORTGAGED OR NOT MORTGAGED

RIO	CENTURY LIMITLESS CORPORATION	TCT NO. 010- 2014000588	Km. 16, West Service Road, South Super High Way, Marcelo, Parañaque City	Residential	Not Mortgaged
SANTORINI	CENTURY LIMITLESS CORPORATION	TCT NO. 010- 2014000587	Km. 16, West Service Road, South Super High Way, Marcelo, Parañaque City	Residential	Not Mortgaged
ST. TROPEZ	CENTURY LIMITLESS CORPORATION	TCT NO. 010- 2014000587	Km. 16, West Service Road, South Super High Way, Marcelo, Parañaque City	Residential	Not Mortgaged
MIAMI	CENTURY LIMITLESS CORPORATION	TCT NO. 010- 2015002913	Km. 16, West Service Road, South Super High Way, Marcelo, Parañaque City	Residential	Not Mortgaged
MAUI	CENTURY LIMITLESS CORPORATION	TCT NO. 010- 2015002914	Km. 16, West Service Road, South Super High Way, Marcelo, Parañaque City	Residential	Not Mortgaged
MALDIVES	CENTURY LIMITLESS CORPORATION	TCT NO. 010- 2015003761	Km. 16, West Service Road, South Super High Way, Marcelo, Parañaque City	Residential	Not Mortgaged
BAHAMAS	CENTURY LIMITLESS CORPORATION	TCT NO. 010- 2019003137	Km. 16, West Service Road, South Super High Way, Marcelo, Parañaque City	Residential	Not Mortgaged
BORACAY	CENTURY LIMITLESS CORPORATION	TCT NO. 010- 2015003760	Km. 16, West Service Road, South Super High Way, Marcelo, Parañaque City	Residential	Not Mortgaged

CLC – AZURE NORTH	OWNER'S NAME	TCT NOS.	ADDRESS	DESCRIPTION AND USE	MORTGAGED OR NOT MORTGAGED
MONACO	CENTURY LIMITLESS CORPORATION	TCT NO. 042- 2018009772	Brgy. San Jose, San Fernando City, Pampanga	Retail/ Residential	Not Mortgaged
BALI	CENTURY LIMITLESS CORPORATION	TCT NO. 042- 2018009773	Brgy. San Jose, San Fernando City, Pampanga	Retail/ Residential	Not Mortgaged
BARBADOS	CENTURY LIMITLESS CORPORATION	TCT NO. 042- 2019002870	Brgy. San Jose, San Fernando City, Pampanga	Residential	Mortgaged

CLC – COMMONWEALTH	OWNER'S NAME	TCT NOS.	ADDRESS	DESCRIPTION AND USE	MORTGAGED OR NOT MORTGAGED
OSMEÑA WEST	CENTURY LIMITLESS CORPORATION	TCT NO. 004- 2015009483	Don Antonio Avenue, Matandang Balara, Quezon City	Residential	Not Mortgaged
QUEZON NORTH	CENTURY LIMITLESS CORPORATION	TCT NO. 004- 2017010840	Don Antonio Avenue, Matandang Balara, Quezon City	Residential	Not Mortgaged
ROXAS EAST	CENTURY LIMITLESS CORPORATION	TCT NO. 004- 2017010837	Don Antonio Avenue, Matandang Balara, Quezon City	Residential	Not Mortgaged
OSMEÑA EAST	CENTURY LIMITLESS CORPORATION	TCT NO. 004- 2017010835	Don Antonio Avenue, Matandang Balara, Quezon City	Residential	Not Mortgaged
QUIRINO WEST	CENTURY LIMITLESS CORPORATION	TCT NO. 004- 2017010841	Don Antonio Avenue, Matandang Balara, Quezon City	Residential	Not Mortgaged
ROXAS WEST	CENTURY LIMITLESS CORPORATION	TCT NO. 004- 2017010836	Don Antonio Avenue, Matandang Balara, Quezon City	Residential	Not Mortgaged
QUIRINO EAST	CENTURY LIMITLESS CORPORATION	TCT NO. 004- 2017010839	Don Antonio Avenue, Matandang Balara, Quezon City	Residential	Not Mortgaged
QUEZON SOUTH	CENTURY LIMITLESS CORPORATION	TCT NO. 004- 2017010838	Don Antonio Avenue, Matandang Balara, Quezon City	Residential	Not Mortgaged

CLC-BATULAO (COMMUNE VILLAGE)	OWNER'S NAME	TCT NOS.	ADDRESS	DESCRIPTION AND USE	MORTGAGED OR NOT MORTGAGED
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001016	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged

	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001020	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001023	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001025	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001027	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001029	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001031	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001033	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001035	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001037	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001039	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001041	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001043	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged
	CENTURY LIMITLESS CORPORATION	TCT NO. 055- 2020001044	Brgy. Kaylaway, Nasugbu, Batangas	Residential	Not Mortgaged

CLC (General Trias Property)	OWNER'S NAME	TCT NOS.	ADDRESS	DESCRIPTION AND USE	MORTGAGED OR NOT MORTGAGED
	LST Development Corporation (on going transfer of TCT to CENTURY LIMITLESS CORPORATION)	TCT NO. 057- 2025015535	Brgy San Francisco, City of General Trias , Province of Cavite	Land	Not Mortgaged

CLC (San Fernando, Province of Pampanga)	OWNER'S NAME	TCT NOS.	ADDRESS	DESCRIPTION AND USE	MORTGAGED OR NOT MORTGAGED
	Ponciano Pio Martin Henson, Jr. (ongoing transfer of TCT to CENTURY LIMITLESS CORPORATION)	TCT NO. 042- 2020001491	Brgy Pulong Bulo, Municipality of San Fernando, Province of Pampanga	Land	Not Mortgaged
	Ponciano Pio MartinHenson, Jr. (ongoing transfer of TCT to CENTURY LIMITLESS CORPORATION)	TCT NO. 042- 2020001492	Brgy Pulong Bulo, Municipality of San Fernando, Province of Pampanga	Land	Not Mortgaged

CCC-MWSS (Novaliches Property)	OWNER'S NAME	TCT NOS.	ADDRESS	DESCRIPTION AND USE	MORTGAGED OR NOT MORTGAGED
	CENTURY COMMUNITIES CORPORATION	TCT NO. 004- 2014010377	Quirino Hi-Way, Greater Lagro, Novaliches, Quezon City	Land	Not Mortgaged
	CENTURY COMMUNITIES CORPORATION	TCT NO. 008- 2018009232	Quirino Hi-Way, Greater Lagro, Novaliches, Quezon City	Land	Not Mortgaged

	CENTURY COMMUNITIES CORPORATION	TCT NO. 008-2018009491	Quirino Hi-Way, Greater Lagro, Novaliches, Quezon City	Land	Not Mortgaged

The Company and its Subsidiaries do not lease any land for development. The Company and its Subsidiaries lease office spaces at Pacific Star Building and Century Diamond Tower, both of which are located in Makati City. Details of the leased offices spaces are as follows:

Number of Floors	Location	Area	Annual Rent (₱ in Millions)	Term
2 Floors	Pacific Star Building Makati	1,663.7	26.0	3 - 5 years
5 Floors	Century Diamond Tower Makati	10,416.2	170.6	2 - 5 years

The cost value of land, building, office, computers, furniture and fixture, transportation, and other equipment is ₱3,713.91 Million, with a net book value of ₱2,913.92 Million as of 30 September 2025. The cost value of construction equipment is ₱526.35 Million, with a net book value of ₱182.93 Million as of 30 September 2025. The total cost value of property and other equipment owned by the Company and its Subsidiaries as of 30 September 2025 is ₱4,140.26 Million, with a net book value of ₱3,257.35 Million as of 30 September 2025.

The following is a schedule of equipment owned by the Company and its Subsidiaries as of 30 September 2025.

Company (in Million Pesos)	Construction Equipment		Land, Building, Office & Other Equipment		Consolidated	
	Cost	Net Book Value	Cost	Net Book Value	Cost	Net Book Value
Century City Development Corporation	₱129.38	₱0.00	₱1,158.17	₱1,006.13	₱1,287.55	₱1,006.13
Century Limitless Corporation	117.05	0.00	640.46	534.76	757.51	534.76
Centuria Medical Development Corporation	5.06	0.00	4.95	0.55	10.01	0.55
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	2.28	14.55	2.28
Century Properties Group Inc.	0.00	0.00	41.16	1.98	41.16	1.98
Century Acqua Lifestyle, Inc	0.00	0.00	963.73	909.47	963.73	909.47
Siglo Suites, Inc.	0.00	0.00	22.13	3.26	22.13	3.26
Tanza Properties, Inc.	0.00	0.00	29.16	0.85	29.16	0.85
PHirst Park Homes Inc.	274.86	182.93	727.36	615.14	1,002.22	798.07
Total	₱526.35	₱182.93	₱3,613.91	₱3,074.42	₱4,140.26	₱3,257.35

As part of CPGI's business strategy, CPGI intends to launch efforts in identified strong and low-risk areas, while ensuring sustained competitive presence and delivery of client commitments in its existing developments.

REGULATORY AND ENVIRONMENTAL MATTERS

LAW ON REAL ESTATE, HOUSING, AND LAND PROJECTS

Real Property Valuation and Assessment Reform Act

On 13 June 2024, President Ferdinand R. Marcos Jr. signed into law Republic Act No. 12001, also known as the Real Property Valuation and Assessment Reform Act (“**RPVARA**”). The law was published on 20 June 2024 and took effect on 5 July 2024.

The RPVARA aims to establish standards based on the Philippine valuation system (“**PVS**”) for real property in the Philippines, adopt a schedule of market values (“**SMV**”), the separation of the valuation function for real properties from tax policy formulation and the administration of taxes, and the creation of a comprehensive and up-to-date electronic database of all real property transactions, among other reforms.

Under the RPVARA, the SMV will serve as the single valuation base for assessing real property-related taxes and for determining the value of real properties in various transactions involving government agencies. The Bureau of Local Government Finance (“**BLGF**”) under the Department of Finance (“**DOF**”) is tasked with developing and implementing the PVS, which will be utilized by LGUs as well as by other entities engaged in the valuation of land, buildings, machinery, and other real properties for taxation and other purposes. Local assessors will prepare the SMVs for different property classes within their jurisdictions, following the PVS and other guidelines issued by the DOF.

While the new SMVs are under development, the BIR will continue to use existing SMVs, zonal values, or the actual price stated in transaction documents, whichever is higher, for computing internal revenue tax.

Section 30 of RPVARA provides a relief measure in the form of a real property tax amnesty, aimed at encouraging delinquent property owners to settle their tax liabilities. This amnesty covers penalties, surcharges, and interest on unpaid real property taxes, including those associated with the Special Education Fund, idle land tax, and other special levies, accrued before RPVARA took effect. The amnesty period is limited to two years from the law’s effectivity date, allowing property owners to settle their delinquent taxes through a one-time payment or installment plan.

However, the amnesty does not apply to all delinquent properties. Specifically, it excludes (1) delinquent properties sold at public auction to cover tax liabilities; (2) properties with delinquent taxes being paid under a compromise agreement; and (3) properties involved in pending court cases over real property tax delinquencies.

Securing & Expanding Capital in Real Estate Investments Transaction

SEC Memorandum Circular No. 12, Series of 2024, on “Securing & Expanding Capital in Real Estate Investment Transactions” (“**SEC RENT**”), sets forth the guidelines for the registration of securities by real estate developers and managers who issue investment contracts, certificates of participation, or participate in profit-sharing agreements in connection with rental pool agreements.

The Circular defines rental pool agreements as “investment contracts wherein the applicant sells or offers units in real estate projects, such as condominiums, hotels, resorts, or dormitories, to prospective buyers under the condition that the buyers contribute their units—either mandatorily or optionally—to a rental pool managed and operated by the applicant or a

third-party operator.” Buyers participating in rental pool agreements are entitled to a share in the profits based on agreed terms, typically derived from the income generated by renting the units to third parties.

Under SEC RENT, rental pool agreements are required to be registered as securities, following the procedures and requirements specified in the memorandum circular.

Corporate Recovery and Tax Incentives for Enterprises – Maximize Opportunities for Reinvigorating the Economy

Republic Act No. 12066, also known as the “Corporate Recovery and Tax Incentives for Enterprises – Maximize Opportunities for Reinvigorating the Economy Act” or “CREATE MORE,” was signed into law on 11 November 2024. This legislation introduces significant amendments to the National Internal Revenue Code of 1997, with the aim of enhancing the country’s tax framework to support economic recovery and growth.

Key provisions of the CREATE MORE Act include adjustments to corporate income tax rates, thereby promoting a more competitive tax regime for businesses operating in the Philippines. The Act also expands the scope of deductions available under the enhanced deductions regime, allowing businesses to avail of additional tax benefits to offset operational and developmental costs.

Furthermore, CREATE MORE broadens the criteria for qualifying as a “registered business enterprise,” thereby opening up access to tax incentives for a wider range of enterprises, particularly those contributing to economic recovery and national development goals. The Act also provides for specific inclusions regarding value-added tax (VAT) exemptions and zero-rating provisions, streamlining compliance and encouraging further investment in priority sectors.

Through these measures, CREATE MORE seeks to foster a business environment conducive to growth, innovation, and sustainable economic development, while ensuring the continued modernization and efficiency of the tax system.

Capital Markets Efficiency Promotion Act (CMEPA)

On 29 May 2025, the President of the Philippines signed the CMEPA into law. In accordance with Article VI, Section 27(2) of the Philippine Constitution, the President vetoed the following provisions of the enrolled bill:

- The removal of the tax exemption on non-residents’ income from their transactions with foreign currency deposit units (FCDUs);
- Imposition of the documentary stamp tax on bettors in authorized number games; and
- Repeal of tax exemptions granted to the Philippine Guarantee Corporation.

While certain provisions were vetoed, the final version of the CMEPA removed the preferential tax rates and exemptions on long-term deposit or investment in the form of savings, common or individual trust funds, deposit substitutes, investment management accounts, and similar instruments.

Pursuant to the CMEPA, any tax exemption or preferential rate applicable to financial instruments issued or transacted prior to 1 July 2025 continue to be governed by the prevailing tax rate at the time of their issuance for the remaining maturity of the relevant agreement.

The CMEPA took effect on 1 July 2025, following its complete publication in the Official Gazette or in at least one (1) newspaper of general circulation.

Philippine Offshore Gaming Operations

On 22 July 2024, during his SONA, President Ferdinand Marcos Jr. announced an immediate ban on all POGOs due to their alleged involvement in illicit activities. Following this announcement, President Marcos directed the PAGCOR to wind down and cease the operations of all POGOs by the end of 2024.

Subsequently, on 24 July 2024, the Bureau of Immigration (“BI”) issued a 60-day deadline for foreign nationals employed by POGOs, internet gaming licensees, and related services to leave the country. However, in August 2024, the Department of Justice (“DOJ”) suspended the BI’s 60-day deadline, citing the need to align and harmonize the government’s overall strategy on this matter.

On 23 October 2025, Republic Act No. 12312, or the “Anti-POGO Act of 2025,” was signed into law, repealing Republic Act No. 11590, otherwise known as “An Act Taxing Philippine Offshore Gaming Operations,” and institutionalizing the ban on POGOs.

Under the Anti-POGO Act of 2025, first time violators shall face imprisonment of 6 to 8 years and a fine between ₱300,000.00 and ₱15 Million; for the second offense, imprisonment of 8 years and 1 day to 10 years and a fine between ₱15 Million and ₱30 Million; and for the third offense, imprisonment of 10 years and 1 day to 12 years and a fine between ₱30 Million and ₱50 Million. If the offender is a public official or employee, the maximum penalty under the applicable category will be imposed. If the guilty party is/are a foreigner/s, such foreigners shall be deported immediately after serving their sentence and permanently banned from re-entering the Philippines.

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, lightning systems and other similar basic requirements in order to guarantee the health and safety of home and lot buyers.

B.P. 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

B.P. 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

Under *Executive Order No. 71, Series of 1993*, cities and municipalities assume the powers of the HLURB, now DHSUD, 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

Republic Act No. 7279, as amended recently by Republic Act No. 10884, or the Urban Development and Housing Act of 1992, 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, now DHSUD, 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. Socialized housing projects that are registered pursuant to Republic Act No. 7279 and Executive Order No. 226 are entitled to various tax incentives, including project-related income taxes, VAT on the project contractor, and capital gains on raw land used for the project. Revenue Memorandum Order No. 48-2025 issued by the BIR on 19 December 2025, streamlines the requirements for the issuance of a CTE for such socialized housing projects. The BIR will issue the CTE upon submission of a complete application for the issuance of a CTE together with a Socialized Housing Certification issued by the government agency that registered the project, such as, for example, the DHSUD or the BOI.

Republic Act No. 9646: Real Estate Service Act

Real estate dealers, brokers, and salesmen are also required to register with HLURB, now DHSUD, 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

Republic Act No. 4726 likewise regulates the development and sale of condominium projects.

R.A 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

Republic Act No. 11201, otherwise known as “Department of Human Settlements and Urban Development Act” was signed by the President on 14 February 2019. The Implementing Rules and Regulations of the Act was approved on 19 July 2019. This Act created DHSUD by

consolidating HUDCC and HLURB, and it reconstituted the HLURB into the 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 CLUPs and ZOs;
 - 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 PD 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 RA 9904, Section 26 of RA 8763 in relation to Executive Order No. (EO) 535, series of 1979, and other related laws; and
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 pending applications for permits, licenses, and other issuances 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 commenced upon the effectivity of the Implementing Rules and Regulations and ended on 31 December 2019. Thereafter, the Act shall be in full force and effect.

Joint Memorandum Circular No. 2025-001: Price Ceiling for Socialized Housing

On 1 December 2025, the DHSUD and the Department of Economy, Planning and Development (“**DEPDEV**”) issued Joint Memorandum Circular No. 2025-001, providing for adjustments of the price ceiling for socialized subdivision and condominium projects under BP 220.

For socialized house and lot packages, the maximum selling price, inclusive of land, land development, and house or unit construction, is set at ₱844,440 for units with a floor area of a minimum of 24 sqm to 26 sqm, and ₱950,000 for units with a minimum floor area of 27 sqm and above. In computing floor area, lofts and mezzanines are excluded, fractional measurements are disregarded with floor area stated in whole numbers only, and units below 24 sqm cannot be issued a License to Sell under the new ceiling; moreover, provided the ₱950,000 cap is not exceeded, no maximum total floor area is prescribed. For lot-only packages, the price may not exceed 40 percent of the applicable house-and-lot ceiling, based on a single detached structure.

For socialized condominium projects, the base price ceilings are ₱1,280,000 and ₱1,500,000 for 3 to 5-storey buildings (for 24–26 sqm units and 27 sqm and above units, respectively), and ₱1,600,000 and ₱1,800,000 for buildings above five storeys. For projects in the National Capital Region and other Highly Urbanized Cities, allowable adjustments to condominium selling prices may be added to the base ceiling depending on BIR zonal land values, subject to maximum add-ons ranging from ₱50,000 to ₱200,000. These adjustments apply only to socialized condominium projects and only to new License to Sell applications, and must be supported by a BIR certificate of zonal valuation for the project location.

The DHSUD and DEPDEV issued the implementing rules and regulations relating to Joint Memorandum Circular No. 2025-001 on 22 December 2025.

Republic Act No. 9160: Anti-Money Laundering Act, as amended

On 29 January 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 31 January 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 ₱7,500,000.00 or its equivalent in any other currency.

Further, RA 11521 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 real estate 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.

SAFETY STANDARDS

Presidential Decree No. 1096 or the National Building Code

Under the 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.

All buildings or structures as well as accessory facilities thereto shall conform in all respects to the principles of safe construction under the 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.

Republic Act No. 9514 or the Fire Code of the Philippines

The Fire Code seeks to ensure public safety and promote economic development by preventing and suppressing all kinds of destructive fires. Compliance with the following requirements is expected from building owners, administrators, and occupants: inspection requirements, safety measures for hazardous materials, safety measures for hazardous operations or processes, provisions on fire safety construction, protective and warning systems, and abatement of fire hazards. Non-compliance with the said requirements may result into penalties.

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

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%;
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 1998

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 15 June 1988, cannot be converted to non-agricultural use without the prior approval of DAR.

ENVIRONMENTAL LAWS

Environmental Impact Statement System

Development projects that are classified by law as environmentally critical or projects within statutorily defined environmentally critical areas are required to obtain 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 is 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 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 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, now DHSUD.

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.

Presidential Decree No. 1067 or The Water Code of the Philippines

The Water Code requires a water permit for the utilization, exploitation, and appropriation of natural bodies of water, except in certain instances provided under the Water Code. Examples of the use of water include domestic, municipal, irrigation, power generation, fisheries, livestock raising, industrial, and recreational. Appropriation of water without obtaining the necessary water permit when applicable will expose such entity to penalties.

Republic Act No. 9275 or The Philippine Clean Water Act of 2004

The Clean Water Act aims to protect the country's water bodies from pollution from land-based sources (*i.e.*, industries and commercial establishments, agriculture, and community or household activities). It provides for a comprehensive and integrated strategy to prevent and minimize pollution through a multi-sectoral and participatory approach involving all the stakeholders.

It requires owners or operators of facilities that discharge regulated effluents (*i.e.*, wastewater from commercial facilities) to secure a permit to discharge from the DENR. Such discharge permit shall specify the quantity and quality of effluent that said facilities are allowed to discharge into a particular water body, with compliance schedule and monitoring requirement.

Republic Act No. 8749 or The Philippine Clean Air Act of 1999

The Clean Air Act aims to create a holistic national program of air pollution management and encourage cooperation and self-regulation among citizens and industries through the application of market-based instruments. It sets air quality standards and emission limits for different industries and sources of air pollution. It also provides for the maximum permissible limits for all major pollutants. Non-compliance exposes the violator to fines and penalties.

Republic Act No. 9003 or The Ecological Solid Waste Management Act of 2000

The Ecological Solid Waste Management Act aims to ensure the protection of the public health and environment by adopting a systematic, comprehensive, and ecological solid waste management program using environmentally-sound methods that maximize the utilization of valuable resources and encourage resource conservation and recovery. It also provides guidelines for avoidance and reduction of solid waste through various measures. Violations therewith may result in fines and penalties.'

PROPERTY REGISTRATION AND NATIONALITY RESTRICTIONS

Presidential Decree No. 1529 ("P.D. 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. P.D. 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 Philippine 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 Philippine 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 the Twelfth 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 Philippine Constitution, ownership of private lands is partly nationalized and thus, landholding companies may only have a maximum of 40% foreign equity.

On 29 August 2025, Republic Act No. 12252 was passed, which amended Republic Act No. 7652 (also known as the Investors' Lease Act) and relaxes the restrictions on foreign investor land leases. The amendment took effect on 4 January 2026. The law increased the maximum period for lease of private lands by foreign investors investing in the Philippines from 75 years to 99 years, subject to compliance with specific requirements. This period may, upon the recommendation of the Fiscal Incentives Review Board (FIRB) or other relevant government agencies, be shortened by the President of the Philippines for investors engaged in vital services or industries considered as critical infrastructure, in the interest of national security or pursuant to government-identified priorities for national development.

To avail of this extended lease period, the foreign investor must have an approved and registered investment under the Foreign Investments Act of 1991; the CREATE Law, as amended by CREATE MORE; or under applicable laws, or has complied with the investment requirements prescribed by the appropriate Investment Promotion Agency pursuant to existing laws. Furthermore, the lease contract and any sublease contracts must now be registered with the Registry of Deeds of the province or city where the leased area is located and annotated on the certificate of title covering the leased area. Registration will only be allowed if: (i) the investor presents proof of an approved and registered investment; (ii) the date of commencement and maximum duration of the lease are certain; (iii) the technical description of the property subject of the lease is clearly specified; (iv) the lessee has performed preparatory acts for the commencement of its investment project; and (v) there is a provision in the lease contract providing for its termination in case of a change in the purpose or project for which the lease was intended, or in case of failure to commence the investment project within a reasonable period from the signing of the lease contract.

REAL PROPERTY TAXATION

Republic Act No. 7160: Local Government Code of the Philippines

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 Buyer Act, more popularly known as the "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 month for every one year of installment payments made. However, the buyer may exercise this right only once every five 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 years of installments have been paid, an additional 5% every year (but with a total not to exceed 90% of the total payments), or (c) buyers who have paid less than two years of installments are given a sixty (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 thirty (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.

In the case of *Philippine Contractors Accreditation Board v. Manila Water Co., Inc.* (G.R. No. 217590, 10 March 2020) the Supreme Court held 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 under current laws 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 Investment Promotion Agency ("**IPA**") 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 CREATE Act, registered business enterprises specified in the Strategic Investment Priorities Plan ("**SIPP**") enjoy tax and duty incentives to the extent of their approved registered project or activity under the SIPP. Generally, these incentives include the grant of income tax holiday ("**ITH**"), Special Corporate Income Tax rate ("**SCIT**"), enhanced deductions, duty exemption on importation of capital equipment, raw materials, spare parts, or accessories and value-added tax exemption on importation and value-added tax zero-rating on local purchases.

On November 11, 2024, President Marcos Jr. signed into law Republic Act No. 12066 or the CREATE MORE, which expanded the incentives granted under the CREATE Act. The CREATE MORE took effect on November 28, 2024. On February 17, 2025, the CREATE MORE IRR was promulgated and it will be effective immediately upon publication in a newspaper of general circulation.

Under CREATE MORE, an RBE may now enjoy income tax-based incentives ranging from 14 to 17 years (with an investment capital of ₱15 billion and below) or 24 to 27 years (with an investment capital above ₱15 billion), depending on the registered project's location and industry tier.

Under CREATE MORE, an RBE may opt for one of the following: (1) ITH followed by SCIT (for export RBEs only) or the enhanced deduction regime ("**EDR**"); or (2) SCIT which may be granted immediately at the start of commercial operations (for export RBEs only); or (3) EDR, which may be granted immediately at the start of commercial operations. RBEs choosing the EDR incentive are subject to a lower corporate income tax of 20% of taxable income and further enhanced deductions, such as the 200% allowable deduction for power expenses.

CREATE MORE addressed the vague provisions under the CREATE Act and clarified that the SCIT is in lieu not only of national and local taxes, but also of local fees and charges, and that the duty and VAT exemption on importation and the VAT zero-rating on local purchases

applies to those “directly attributable” to the registered project or activity, now statutorily defined as referring to “goods and services that are incidental to and reasonably necessary for the registered project or activity of the registered business enterprise, including janitorial, security, financial, consultancy, marketing and promotion services, and services rendered for administrative operations such as human resources, legal, and accounting.”

CREATE MORE also provides that the local government unit may, through an ordinance, impose an RBE local tax (“**RBELT**”) at the rate of not more than 2% of an RBE’s gross income during the ITH and EDR, which shall be in lieu of all local taxes and local fees and charges imposed by the local government unit under the Local Government Code. However, the RBELT will not be imposed on RBEs under SCIT.

The available incentives depend on the industry tier and geographic location of the registered activity and whether the production/output is for export or the domestic market. The incentives available to a domestic market enterprise (“**DME**”) include (a) an ITH for a minimum of 4 years and a maximum of seven 7 years; (b) VAT and duty exemption on the importation of capital equipment, raw materials, spare parts, and accessories directly and exclusively used in the registered project or activity for 14 to 17 years from the date of registration with the IPA; and (c) for high-value DMEs (DME with an investment capital exceeding ₱15 billion), VAT zero-rating on local purchases of goods and services directly and exclusively used in the registered project or activity, also for 14 to 17 years from the date of registration with the IPA. After the lapse of the ITH, and for a period of 10 years thereafter, a DME may avail itself of EDR and avail of enhanced deductions for items such as additional depreciation, labor expenses, R&D expenses, training expenses, power expenses, and the carrying over of net operating losses.⁷ The SCIT incentive of 5% on gross income earned in lieu of all national and local taxes is available only to registered export market enterprises.

In addition to the incentives above, projects or activities of registered enterprises located in areas recovering from an armed conflict or a major disaster, as determined by the Office of the President, shall be entitled to two (2) additional years of ITH.

Projects or activities registered prior to the effectivity of the CREATE Act and CREATE MORE that shall, within the duration of their incentives, completely relocate from the National Capital Region, shall be entitled to three (3) additional years of ITH; provided, that the additional incentive shall commence at the completion of the relocation of operations.

The period of availment of the foregoing incentives shall commence from the actual start of commercial operations with the registered business enterprise availing of the tax incentives within three (3) years from the date of registration, unless otherwise provided in the SIPP and its corresponding guidelines.

Further to BOI Memorandum Circular No. 2023-005, qualified housing projects are only eligible to ITH and duty exemption on capital equipment, raw materials, spare parts, or accessories. At least 25% of a project’s construction materials must be sourced from domestic manufacturers. Additionally, projects that are eligible for five (5) to six (6) years of ITH are required to submit proof of compliance of three hundred (300) trees or five hundred (500) trees, respectively, planted within the project location itself and/or within the community where the project will be located within one (1) year prior to availing the ITH.

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 not exceed Three Million Pesos (₱3,000,000.00) and shall not fall below the price ceiling of socialized housing based on the prevailing price ceiling issued by the DSHUD (i.e. Two Million

⁷ The CREATE MORE has revised the deductions allowed for export enterprises and domestic market enterprises.

Five Hundred Thousand Pesos (₱2,500,000.00)); (b) the project must be located outside NCR; (c) the project must have a minimum of one hundred (100) livable dwelling units in a single site or building; (d) the project must be new or expanding economic/low-cost housing project; I for residential condominium projects, at least 51% of the total gross floor area must be devoted to housing units.

Economic housing projects with selling price not exceeding Two Million Five Hundred Thousand Pesos (₱2,500,000.00) are required to comply with socialized housing requirement by building socialized housing units in an area equivalent to at least 15% of the total registered project area or total BOI-registered project cost for subdivision housing and 15% of the total floor area of qualified saleable housing units for residential condominium projects.

Further, low-cost housing projects with selling price exceeding Two Million Five Hundred Thousand Pesos (₱2,500,000.00) but not exceeding Three Million Pesos (₱3,000,000.00) must build socialized housing units in an area equivalent to at least 20% of the total registered project area or total BOI-registered project cost for subdivision housing and 20% of the total floor area of qualified saleable housing units for residential condominium projects.

SPECIAL ECONOMIC ZONE

The PEZA is the government IPA 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 Ecozones are entitled to fiscal and non-fiscal incentives such as income tax holidays and duty-free importation of equipment, machinery and raw materials.

The incentives that may be granted by PEZA are the same as the incentives that BOI may grant to a registered business enterprise under CREATE MORE and applicable regulations. The main difference is that RBEs registered with PEZA are required to perform their registered business activities within the Ecozone while no similar requirement is imposed by the BOI. PEZA RBEs may be allowed to adopt a flexible work arrangement of up to 50%, meaning a maximum of 50% of their direct employees engaged in actual production activities may be allowed to work at home, provided prior PEZA approval is obtained.

COMPETITION

Republic Act No. 10667: The Philippine Competition Act

R.A. No. 10667 or The Philippine Competition Act (“**PCA**”) with its implementing rules and regulations (“**IRR**”), 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.

The PCA, as amended, provides for mandatory notification to the PCC where, as of 1 March 2025, the value of such transaction exceeds ₱3.5 Billion, and where the size of the ultimate parent entity of either party exceeds ₱8.5 Billion. Notification is also mandatory for joint venture transactions if either (a) the aggregate value of the assets that will be combined in the Philippines or contributed into the proposed joint venture exceeds ₱3.5 Billion; or (b) the gross revenues generated in the Philippines by the assets to be combined in the Philippines or contributed into the proposed joint venture exceed ₱3.5 Billion.

Recognizing that joint ventures can result in business efficiencies, the PCC issued Guidelines on Notification of Joint Ventures ("**JV Guidelines**") on 9 September 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.

LABOR LAWS

Retirement Benefits under the Labor Code

The Philippine Labor Code provides that, in the absence of a retirement plan provided by their employers, private sector employees who have reached 60 years of age or more, but not beyond 65 years of age, the compulsory retirement age for private sector employees without a retirement plan, and who have rendered at least five years of service in an establishment, may retire and receive a minimum retirement pay equivalent to one-half month's salary for every year of service, with a fraction of at least six months being considered as one whole year. For the purpose of computing the retirement pay, "one-half month's salary" shall include all of the following: fifteen days' salary based on the latest salary rate; in addition, one-twelfth of the thirteenth month pay and the cash equivalent of five days of service incentive leave pay. Other benefits may be included in the computation of the retirement pay upon agreement of the employer and the employee or if provided in a collective bargaining agreement.

Social Security Act

An employer or any person who uses the services of another person in business, trade, industry or any undertaking is required under Republic Act No. 11199, the Social Security Act of 2018 to ensure coverage of employees following procedures set out by the law and the SSS. Under the said law, an employer must deduct from its employees their monthly contributions in an amount corresponding to his salary, wage, compensation or earnings during the month in accordance with the monthly salary credits, the schedule and the rate of contributions as may be determined and fixed by the Social Security Commission, pay its share of contribution and remit these to the SSS within a period set by law and/ or SSS regulations. This enables the employees or their dependents to claim their pension, death benefits, permanent disability benefits, funeral benefits, sickness benefits and maternity-leave benefits.

The failure of the employer to comply with any of its obligations may lead to sanctions, including the imposition of a fine of not less than Five Thousand Pesos (₱5,000.00) nor more than Twenty Thousand Pesos (₱20,000.00), or imprisonment for not less than six (6) years and one (1) day nor more than twelve (12) years, or both, at the discretion of the court. The erring employer will also be liable to the SSS for damages equivalent to the benefits to which the employee would have been entitled had his name been reported on time to the SSS and for the corresponding contributions and penalties thereon.

Home Development Fund Law

Under Republic Act No. 9679, the Home Development Mutual Fund Law of 2009, all employees who are covered by the SSS must also be registered with and covered by the Home Development Mutual Fund, more commonly referred to as the Pag-IBIG Fund. It is a national savings program as well as a fund to provide for affordable shelter financing to Filipino

workers. Coverage under the HDMF is compulsory for all SSS members and their employers. Under the law, an employer must deduct and withhold 2.0% of the employee's monthly compensation, up to a maximum of Five Thousand Pesos (₱5,000.00), and likewise make a counterpart contribution of 2.0% of the employee's monthly compensation and remit the contributions to the HDMF. Refusal of an employer to comply, without any lawful cause or with fraudulent intent, particularly with respect to registration of employees as well as collection and remittance of contributions, is punishable by a fine of not less but not more than twice the amount involved, or imprisonment of not more than six (6) years, or both such fine and imprisonment. When the offender is a corporation, the penalty will be imposed upon the members of the governing board and the president or general manager, without prejudice to the prosecution of related offenses under the Revised Penal Code and other laws, revocation and denial of operating rights and privileges in the Philippines and deportation when the offender is a foreigner.

National Health Insurance Act

Employers are likewise required to ensure enrolment of its employees in a National Health Insurance Program ("**NHIP**") administered by the Philippine Health Insurance Corporation, a government corporation attached to the Department of Health tasked with ensuring sustainable, affordable and progressive social health insurance pursuant to the provisions of Republic Act No. 10606, the National Health Insurance Act of 2013.

On 20 February 2019, Republic Act No. 11223, the Universal Health Care Act, was enacted, which amended certain provisions of the National Health Insurance Act of 2013. Under the said law, all Filipino citizens are now automatically enrolled into the National Health Program. However, membership is classified into two types: (i) direct contributors, and (ii) indirect contributors. Direct contributors refer to those who have the capacity to pay premiums, are gainfully employed and are bound by an employer-employee relationship, or are self-earning, professional practitioners, migrant workers, including their qualified dependents, and lifetime members. On the other hand, indirect contributors refer to all others not included as direct contributors, as well as their qualified dependents, whose premium shall be subsidized by the national government including those who are subsidized as a result of special laws. Every member is also granted immediate eligibility for health benefit package under the program. An employer who fails or refuses to register its employees, regardless of their employment status, or to deduct contributions from its employees' compensation or remit the same to our Corporation shall be punished with a fine of not less than Five Thousand Pesos (₱5,000.00) multiplied by the total number of employees of the firm.

Other Labor-Related Laws and Regulations

The Labor Code recognizes subcontracting arrangements, whereby a principal puts out or farms out with a contractor the performance or completion of a specific job, work or service within a definite or predetermined period, regardless of whether such job, work or service is to be performed or completed within or outside the premises of the principal. Such arrangements involve a "trilateral relationship" among: (i) the principal who decides to farm out a job, work or service to a contractor; (ii) the contractor who has the capacity to independently undertake the performance of the job, work, or service; and (iii) the contractual workers engaged by the contractor to accomplish the job, work, or service.

On 16 March 2017, the DOLE issued DOLE Department Order No. 174-17 or Rules Implementing Articles 106 to 109 of the Labor Code, as Amended ("**D.O. No. 174-17**"), under the principle that non-permissible forms of contracting and subcontracting arrangements undermine the constitutional and statutory right to security of tenure of workers. D.O. No. 174-17 empowered the Secretary of Labor and Employment to regulate contracting and subcontracting arrangement by absolutely prohibiting labor-only contracting, and restricting

job contracting allowed under the provisions of the Labor Code. Labor-only contracting refers to arrangement where the contractor or subcontractor merely recruits, supplies or places workers to perform a job or work for a principal, and the contractor or subcontractor does not have substantial capital, or the contractor or subcontractor does not exercise the right to control over the performance of the work of the employee. D.O. No. 174-17 expressly requires the registration of contractors with the Regional Office of the DOLE where it principally operates, without which, a presumption that the contractor is engaged in labor-only contracting arises.

The Department Order provides that in the event that there is a finding that the contractor or subcontractor is engaged in labor-only contracting and other illicit forms of employment arrangements, the principal shall be deemed the direct employer of the contractor's or subcontractor's employees. Further, in the event of violation of any provision of the Labor Code, including the failure to pay wages, there exists a solidary liability on the part of the principal and the contractor for purposes of enforcing the provisions of the Labor Code and other social legislations, to the extent of the work performed under the employment contract.

DATA PRIVACY LAWS

Republic Act No. 10173: Data Privacy Act

The Philippines 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 their 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 20 January 2026:

Century Limitless Corporation

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Department of Justice ("DOJ") / Office of the City Prosecutor			
Miyuki Jane B. Oka vs. Jose Eduardo B. Antonio and Jose Marco R. Antonio	DOJ-Manila	Violations of Sections 20 and 17 of Presidential Decree No. 957	The complainant is the buyer of 2 SPI units, later cancelling 1 unit and consolidating payments to the retained unit. The account was cancelled due to default after not paying TOB upon receipt of the TO notice. Not qualified for Maceda Law refund. 1. The Investigating Prosecutor issued a Resolution dated 26 October 2022 dismissing the complaint for lack of probable cause. 2. The complainant, through counsel, filed a Petition for Review before the Department of Justice seeking the reversal of the Resolution. 3. We filed an Opposition/Comment to the Petition for Review that was filed by Oka. 4. We are currently waiting for the resolution of the Secretary of Justice on the Petition for Review. This case has no material adverse effect on the Company's consolidated financial position and results of operations.
Courts			
Century Limitless vs. Felimon Nicolas et.al. and all other persons claiming rights and interests under them (M-MND-22-03394-CV)	Mandaluyong City – MTC, Branch 97	Unlawful Detainer	This is a complaint for unlawful detainer filed against Felimon Nicolas, Abby Nicolas, Brian Nicolas, Abbygail Peroche, Ryan Peroche, and all persons claiming rights and interests under them over the two parcels of land owned by CLC, which are located at Brgy. Hulo, Mandaluyong City, Philippines, with an aggregate area of more or less fourteen thousand two hundred seventy-one (14,271) square meters, which since 2017, is covered by Transfer Certificate of Title (TCT) Nos. 008-20170003952 and 008-2017003963. After the trial of the case, the Court ordered the Defendants and all persons claiming right/s under them to vacate the Subject Portion and to deliver possession thereof to

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			the Plaintiff smoothly and peacefully; pay the CLC the amount of Five Thousand Pesos (₱5,000.00) monthly rental from 20 July 2022 until defendants and/or all persons claiming right/s under them actually vacate the Subject Portion; and pay the CLC the amount of Four Thousand Twenty Pesos (₱4,020.00), the total amount of the filing/docket fees as costs of suit. This case has no material adverse effect on the Company's consolidated financial position and results of operations.

Century City Development Corporation

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Courts			
CCDC vs. Joannie Lumacang	Makati City - RTC, Branch 148	Reconveyance of Title	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. For execution of reconveyance The case has already become final with Entry of Judgment issued by the Court of Appeals (dismissing the Petition filed by Lumacang's counsel). The judge issued an order holding the motion for issuance of the Writ of Execution under abeyance pending compliance with the service of the decision to Lumacang. The sheriff reported the service of the decision to defendant's addresses on record which was received by the security guard and the receptionist in all instances. CCDC filed the motion to lift the judge's latest order considering the sheriff's service of the decision via substituted service. This case has no material adverse effect on the Company's consolidated financial position and results of operations.
Sps. Cheng vs. CCDC	Makati City – RTC, Branch 235	Nullification, Rescission, Injunction and Damages	Cheng is the buyer of Unit 201 Gramercy Residences, partially paid through a loan with United Coconut Planters Bank (UCPB). She defaulted in her payments and UCPB sent notice of buyback to CCDC. CCDC then sent the NNC and notice to vacate to Cheng. Cheng seeks the nullification of the NNC and believes that CCDC has no right to cancel the Contract to Sell after the TCP is fully paid. In its defense, CCDC argues that the DOU compels CCDC to buy back the

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			unit after the default in loan by borrower Cheng. As counterclaim, CCDC seeks to compel Cheng to sign the Deed of Reconveyance as mandated under the Contract to Sell. The Notice of Lis Pendens was annotated on the CCT with Cheng as registered owner. The trial court rendered a judgment against CCDC and ordered to refrain from demanding the spouses Cheng to vacate the subject properties. The case is now pending appeal. This case has no material adverse effect on the Company's consolidated financial position and results of operations.

Century City Development II Corporation

Baolong-Collection of Sum of Money (M-MKT-21-03718-CV, Baolong Technology Industry Group Ltd., Inc. vs. CCDC II)	Makati City – RTC, Branch 57	Collection of Sum of Money	This case is a complaint filed against CCDC for the recovery of the Security Deposit in the plaintiff's Contract of Lease. On 30 August 2024, the trial court rendered a Decision in favor of Plaintiff Baolong Technology Industry Group Ltd Inc. and against CCDCII ordering the latter to pay the total amount of ₱353,331,862.60. The case is still pending appeal before the Court of Appeals and handled by an external law office. This case has no material adverse effect on the Company's consolidated financial position and results of operations.
Baolong-Replevin (M-MKT-21-03292-CV, Baolong Technology Industry Group Ltd., Inc. vs. CCDC II,	RTC Makati Br.129	Replevin	This case is a complaint filed by Baolong Ltd. Against CCDCII for the recovery of the personal properties of its personnel that were left in the previously leased office at Century Diamond Tower. On 17 July 2023, the trial court rendered a judgment based on the Compromise Agreement of the parties. This case has no material adverse effect on the Company's consolidated financial position and results of operations.

Century Communities Corporation

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Courts			

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Republic of the Philippines Represented By the DOTr vs. CCC and the Register of Deeds	Quezon City – RTC, Branch 98	Expropriation	In May 2022, SMC MRT7 filed its Entry of Appearance with Manifestation and Motion for Intervention. On 25 May 2022, we filed our Opposition citing the formal and substantial defects of the motion. Thereafter, without its motion having been granted, SMC MRT7 filed its Memorandum-in-Intervention. Immediately, we sought to expunge the aforesaid pleading. Meanwhile, on 30 May 2022, the intervenors-awardees filed their Motion to Withdraw Intervention. Also, on 12 April 2022, we manifested the Consolidated Decision issued by the Court of Appeals nullifying the trial court's previous confirmation of the value of the provisional deposit at only ₱7,000.00 per square meter. With plaintiff's continued refusal to pay the provisional deposit of ₱47,000.00 per square meter as determined by the Court of Appeals, we filed our Omnibus Motion to (a) Recall or Quash Writ of Possession; (b) to Restore Century to Possession of the Subject Properties; and (c) to Consider the Initial Deposit Forfeited in Favor of Century as Damages. During the hearing held last 27 October 2022, the Court recognized the pending motions and incidents of the case. It then directed the BOC to appear on 15 December 2022. On 15 December 2022, the Court reset the hearing to 30 March 2023 to afford the Presiding Judge sufficient time to review the records of the case. After hearing the manifestations of the parties towards a possible settlement during the status hearing last 21 November 2025, the Court granted the parties until 11 December 2025 to submit a Compromise Agreement. However, no such agreement was entered. Accordingly, the issue of just compensation is now submitted for resolution. This case has no material adverse effect on the Company's consolidated financial position and results of operations.

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Republic of the Philippines Rep. by the Department of Transportation vs. The 1, 411 Awardees of the NWSA Employees Housing Project and the Register of Deeds	Quezon City – RTC, Branch 216	Expropriation	On 15 June 2022, the Court issued an Order denying Century's and the Awardees' joint Motion for Substitution citing the movants' failure to produce the original copy of the Compromise Agreement. On 5 July 2022, we filed our Motion for Reconsideration. Meanwhile, on 29 June 2022, the Court issued its Order determining the just compensation at ₱48,000.00 per square meter and directing the Republic to pay the unpaid portion of the just compensation amounting to ₱4,495,568,000.00. Immediately, the Republic filed its Urgent Motion for Inhibition seeking the voluntary recusal of the Presiding Judge on alleged bias or prejudice. After filing our Opposition thereto, we filed our Omnibus Motion (i) to Consign/Deposit Just Compensation; or (ii) to Restore Century to Possession of the Subject Property. Thereafter, on 25 July 2022, we received plaintiff's Motion for Reconsideration assailing the Court's determination of just compensation. On 12 September 2022, the Court issued its Omnibus Order denying plaintiff's Motion for Inhibition. Further, the Order dated 15 June 2022 was set aside, hence, the awardees are ordered substituted by Century. Atty. Valera filed his Motion for Reconsideration claiming the consideration for the Deed of Absolute Sale has not yet been fully paid. In a subsequent Resolution dated 14 September 2022, the Court denied Century's Omnibus Motion (i) to Consign/Deposit Just Compensation; or (ii) to Restore Century to Possession of the Subject Property stating that the Order dated 29 June 2022 was still pending reconsideration. However, plaintiff's Motion for Reconsideration was denied on 16 September 2022 prompting Century to file a Motion for Execution. On the other hand, on 25 November 2022, plaintiff filed its Notice of Appeal. Shortly thereafter, plaintiff likewise filed its Opposition to our Motion for Execution. Meanwhile, in an Order dated 16 September 2022, the Court denied SMC MRT7's Entry of Appearance with Manifestation and Motion for Intervention dated 2 September 2022. Notably, on December 5, 2022, Atty. Romeo N. Juayno, Jr. entered his appearance for defendants awardees, as represented by NWSA Awardees Livelihood Association, Inc.

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			On 7 October 2025, we submitted our <i>Position Paper</i> on the Republic's Motion for Partial Reconsideration dated 30 June 2023 assailing the Court's grant of our Motion for Execution Pending Appeal. Meanwhile, in CA-G.R. SP No. 175428, the Court of Appeals issued a <i>Decision</i> dated 9 October 2025 remanding the expropriation proceedings to RTC QC Br. 216 for further proceedings in accordance with the <i>Decision</i>. The Court of Appeals held that the service of summons in the proceedings before RTC QC Br. 216 was invalid and improper. An appeal has been filed on this matter. On account of the foregoing CA Decision, on 4 November 2025, the Court resolved to exercise judicial courtesy by desisting from proceeding with the resolution of pending incidents. This case has no material adverse effect on the Company's consolidated financial position and results of operations.
CCC vs. Hon Marilou D. Runes-Tamang	Court of Appeals	Petition for Certiorari	On 6 April 2022, the Court issued its Consolidated Decision granting our Petition. Thus, the assailed Resolutions of the trial court dated 28 July 2020 and 7 September 2020 declaring the sufficiency of the Republic's and the Department of Transportation's provisional deposit were nullified and set aside. More importantly, the Court determined the subject properties as commercially valued at ₱47,000.00 per square meter. Accordingly, plaintiffs were directed to deposit the additional amount of ₱3,797,162,000.00 in favor of Century without prejudice to the subsequent determination of just compensation. In its <i>Consolidated Decision</i> dated 6 April 2022, the Court of Appeals found the initial deposit by the Republic as insufficient, the subject properties as commercial, and that such properties are valued at ₱47,000.00/sqm. The Republic assailed the aforementioned Decision before the Supreme Court, docketed as G.R. No. 265856. On 22 May 2025, we received a copy of the Supreme Court's <i>Resolution</i> dated 2 April 2025, partially granting the petition. It fixed the amount of initial deposit at ₱10,000.00/sqm. On 9 June 2025, we filed our <i>Motion for Reconsideration</i>. To this date, such motion

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			has yet to be resolved by the Supreme Court.
Nelson Babaran vs. The 1,411 Awardees Rep. by their Attorney-in-Fact Genaro C. Bautista and CCC	Malolos, Bulacan – RTC	Petition for Declaratory Relief seeking a judicial declaration affirming the validity of the Deed of Absolute Sale he executed with Genaro Bautista representing the Awardees.	On 12 December 2022, we have filed our Answer to the Petition. On 9 January 2023, we received Babaran's Reply with Answer to Compulsory Counterclaims. In its Order dated 27 March 2023, the trial court <i>moto proprio</i> dismissed the Petition. Aggrieved, the petitioner assailed the dismissal via <i>Petition for Certiorari</i> before the Court of Appeals, docketed as CA-G.R. SP No. 180163. In its <i>Order</i> dated 04 October 2023, the Court of Appeals dismissed the Petition for Certiorari. Such dismissal has then attained finality and <i>Notice of Entry of Judgment</i> has been issued on 17 September 2024. This case has no material adverse effect on the Company's consolidated financial position and results of operations.
The 1,411 Awardees of the NWSA Employees Housing Project (NEHP) vs. Hon Eleuterio L. Bathán et al.	Court of Appeals	Petition for Certiorari pertaining to the Order dated September 28, 2020, granting Century's Motion to Release Provisional Deposit.	On 25 May 2022, the petitioner filed its Motion to Withdraw the Petition citing the agreement of the parties amicably resolving their respective claims. In its Resolution dated 21 June 2022, the Court directed the petitioners' counsel, Atty. Gil Valera, to submit within ten (10) days the petitioners' written conformity to the filed Motion to Withdraw. On 5 October 2022, Atty. Valera filed the petitioner's Retraction of Motion to Withdraw Petition. As such, the Court required the parties to file their respective Memoranda. A Final Motion for Additional Time to File Memorandum was submitted to the Court, and the Memorandum was filed on 17 February 2023. A decision dated 26 July 2023 was issued by the Court of Appeals, whereby the Petition for Certiorari filed by the petitioners 1,411 Awardees was dismissed. An Entry of Judgment was issued, and the decision has become final and executory. This case has no material adverse effect on the Company's consolidated financial position and results of operations.
The 1,411 Awardees of the NWSA Employees Housing Project (NEHP) vs. Hon	Court of Appeals	Petition for Certiorari pertaining to the Order dated July 24, 2020, recognizing Genaro C. Bautista as the	On 7 January 2021, the Court of Appeals issued its Resolution of even date dismissing the instant Petition for the petitioners' failure to pay docket fees within the prescribed period.

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Eleuterio L. Bathan et al.		attorney-in-fact of the 1,411 awardees of the NWSA Employees Housing Project and the release of the provisional deposit to Genaro Bautista and Century Communities.	On 26 January 2021, the petitioners filed their Motion for Reconsideration. On 8 March 2021, we filed our Comment to the petitioners' Motion. On 6 June 2022, the Court issued its Resolution of even date denying the petitioners' Motion for Reconsideration. The dismissal of the <i>Petition</i> has attained finality and Entry of Judgment has been made on 03 July 2022. This case has no material adverse effect on the Company's consolidated financial position and results of operations.
77 Awardees of the NWSA Employees Housing Project et al. vs. Hon Betlee Ian J. Barraquias, et al.	Court of Appeals	Petition for Certiorari assailing the Omnibus Order dated 4 April 2022 and the Order dated 24 June 2022 issued by Judge Barraquias in CIVIL CASE NO. R- QZN-19-17419-CV denying petitioners' participation and/or intervention therein.	On 9 January 2023, we received the Court's Resolution denying the petitioners' Application for Temporary Restraining Order and/or Writ of Preliminary Injunction. Furthermore, the petitioners were directed to correct the infirmities of their Petition. This case has no material adverse effect on the Company's consolidated financial position and results of operations.
1,411 Awardees vs. Hon. Marilou D. Runes-Tamang	Court of Appeals	Petition for Certiorari filed by the Tañada faction of the 1,411 Awardees to assail Judge Tamang's orders releasing the provisional deposit to Century.	The Court issued its Consolidated Decision dated 6 April 2022 denying the Petition. This case has no material adverse effect on the Company's consolidated financial position and results of operations.
1,411 Awardees vs. Hon. Marilou D. Runes-Tamang	Court of Appeals	Petition for Certiorari assailing Judge Tamang's Order dated 26 February 2021 ordering (i) the expropriation of the subject properties; (ii) the payment of just compensation in favor of Century; and (iii) the grant of an easement of right of way in favor of Century.	On 25 May 2022, the petitioners-Awardees filed their Motion to Withdraw citing the agreement of the parties amicably settling their dispute. In a Resolution dated 7 February 2023, the submissions by opposing parties were denied and the Court of Appeals affirmed its earlier <i>Consolidated Decision</i> dated 6 April 2022 which found the initial deposit by the Republic as insufficient, the subject properties as commercial, and that such properties are valued at Php 47,000.00/sq.m. The case, consolidated before the Supreme Court under G.R. No. 265856, remains pending to date. This case has no material adverse effect on the Company's consolidated financial position and results of operations.

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Avelino T. Amores, et al. vs. Hon Aurora A. Hernandez – Calledo	Court of Appeals	Petition for Certiorari and Prohibition dated 10 March 2020 filed by the Tañada Faction of the 1,411 Awardees to question Judge Calledo's orders granting the Writ of Preliminary Mandatory Injunction in favor of Century, insofar as the possession of the 7 hectares and 2,000 sqm. lots are concerned.	In its <i>Consolidated Decision</i> dated 6 April 2022, the Court of Appeals found the initial deposit by the Republic as insufficient, the subject properties as commercial, and that such properties are valued at ₱47,000.00/sqm. The Republic assailed the aforementioned <i>Decision</i> before the Supreme Court, docketed as G.R. No. 265856. On 16 September 2024, we received a copy of a <i>Notice</i> deconsolidating the case of Amores, et al. v. Century from Republic v. Century and SMC MRT 7, Inc. v. Century, considering the cases emanate from different causes of action in the Regional Trial Courts, raise different issues, and depend on different sets of evidence. It is now docketed as G.R. No. 265952. To date, no resolution has been issued by the Supreme Court. This case has no material adverse effect on the Company's consolidated financial position and results of operations.

PHirst Park Homes Inc.

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Courts			
PHirst Park Homes Inc., vs. Rodelio Malabanan, Manuel Malabanan, and Hipolito Malabanan	MTCC Br. 3 Calamba	Accion Reivindicatoria with Temporary Restraining Order and Damages	PPHI filed a civil case against Rodelio Malabanan, Manuel Malabanan, and Hipolito Malabanan, to enjoin them from interfering, trespassing, and prohibiting the construction of a portion of the perimeter fence at PHirst Park Homes – Calamba. PPHI reiterated its rights of ownership over the said portion in the complaint by presenting the Transfer Certificates of Title over the same. The Court has declared the defendants in default as they failed to file their Answer. In its Decision dated 24 April 2025, the Court declared PPHI the true owner of the properties subject of the case and ordered the defendants to remove any structures, temporary or permanent, that encroach upon these properties. It further enjoined defendants from trespassing or prohibiting PPHI from constructing a perimeter fence or performing any act that infringes or violates PPHI's ownership rights. The Notice to Vacate and Writ of Execution was served on the defendants on 8 July 2025. The case was terminated in favor of PPHI.
Wilfredo Delos Santos, et al. vs. PHirst Park Homes Inc.	Malolos, Bulacan – RTC	Reconveyance	Delos Santos, et al. alleged that Fermin and Severina Santos, from whom PPHI acquired the property for the Pandi project, deprived them of their shares over the property. They asserted that the Deed of Donation was

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			PPHI filed a Petition before the Supreme Court to enjoin the RTC and NGCP from proceeding with the expropriation case. The Supreme Court has yet to act on the Petition. This case questions the propriety of NGCP's act of expropriating the property given that they did not follow with the guidelines set forth under the ROW Act, i.e., there was no genuine necessity to expropriate PPHI's property. There is an ongoing settlement with NGCP.
PPHI vs. Julian Philip L. De Ocampo	OCP Makati City	Violation of Article 315(2)(a) in relation to Article 172 and Article 171 of the Revised Penal Code (Estafa through Falsification)	De Ocampo used his qualifications in transferring the agent fees to his own personal bank account, which caused damage to PPHI. The case was dismissed by OCP in favor of Philip De Ocampo. PPHI will re-file a new criminal case for Other Deceits or for a different crime with elements lower than Estafa.
Premier Allianz Inc. vs. Warren Pangan	RTC Br. 56 Angeles City, Pampanga	Qualified Theft (85 counts)	Premier, as employer of Pangan, filed a qualified theft case against him for stealing PPHI funds amounting to ₱1,886,422.51. The presentation of the first witness (Ingrid Dominguez) was on 13 November 2025, while the second witness was presented on 15 January 2026. No major matters were raised in cross-examination. PPHI is awaiting the court's schedule for the presentation of testimonial evidence of the 3rd witness (Ms. Iris Evangelista).
Joselito Guarin Abeng vs. PPHI	MTCC Br. 2, Lipa	Recovery of sum of money with damages	Abeng seeks to claim his alleged earned commissions, bonuses, and incentives in the amount of ₱2,000,000.00, claiming wrongful termination of his sales agreement without due notice or valid justification. The Answer was filed on 17 November 2025. The case is still ongoing.

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>	2025			2024			2023			2022		
<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	0.620	0.390	0.610	0.355	0.260	0.270	0.410	0.350	0.365	0.430	0.370	0.420
Second quarter	0.730	0.540	0.670	0.345	0.260	0.335	0.380	0.345	0.360	0.425	0.360	0.365
Third quarter	0.820	0.630	0.660	0.370	0.305	0.330	0.370	0.320	0.330	0.395	0.345	0.355
Fourth quarter	0.700	0.670	0.690	0.440	0.320	0.420	0.335	0.270	0.280	0.385	0.330	0.385

The closing price of the Company's Common Shares of stock as of 3 February 2026 is ₱0.77 per share.

The high, low, and close prices for the preferred shares of the Company for each quarter within the last two (2) fiscal years are as follows:

<u>(in ₱)</u>	2025			2024		
<u>Quarter</u>	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>High</u>	<u>Low</u>	<u>Close</u>
First quarter	102.5	95.0	100.0	103.5	99.0	100.9
Second quarter	102.4	95.1	100.0	100.9	96.0	99.0
Third quarter	102.5	90.0	100.0	102.0	99.0	100.4
Fourth quarter	102.0	102.0	102.0	101.9	95.5	101.0

The closing price of the Company's Preferred Shares of stock as of 3 February 2026 is ₱102.0 per share.

STOCKHOLDERS

The number of shareholders of the Company's Common Shares of record as of 30 September 2025 is 497. The Company has 11,599,600,690 issued Common Shares of which 11,599,600,690 are outstanding Common Shares, with total paid-up capital of ₱6,200,853,553 as of 30 September 2025.

The top 20 stockholders of Common Shares as of 30 September 2025 are as follows:

Name	Number of Shares Held	% to Total
CENTURY PROPERTIES, INC.	6,472,351,319	55.321
PCD NOMINEE CORPORATION (FILIPINO)	4,845,167,790	41.413
F. YAP SECURITIES, INC.	169,183,755	1.446
TRIVENTURES CONSTRUCTION & MANAGEMENT CORPORATION	119,441,756	1.021
PCD NOMINEE CORPORATION (NON-FILIPINO)	75,496,677	0.645
QIU NINI	6,800,000	0.058
ERNESTO B. LIM	3,000,000	0.026
PEDRO RIZALDY ALARCON	1,000,000	0.009
GOH WAY SIONG	1,000,000	0.009
SOLAR SECURITIES, INC.	723,978	0.006
ANTONIO A. INDUCTIVO	723,959	0.006
VICTOR S. CHIONGBIAN	688,732	0.006
RAFAEL JAY P. RAMORES	510,596	0.004
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
ROMAN T. YAP	144,794	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 30 September 2025, the percentage of the total outstanding capital stock of the Company held by foreigners is 0.72%.

Class of Shares	Total Outstanding Shares	Local Shares	Foreign Shares
Common Shares	11,599,600,690	11,516,103,712	83,496,978
Percentage Holdings		99.28%	0.72%

The number of shareholders of the Company's Preferred Shares of record as of 30 September 2025 is 2. The Company has 20,000,000 issued and outstanding Preferred Shares, with total paid-up capital of ₱10,600,000.00 as of 30 September 2025.

The top stockholders of CPGPB Preferred Shares as of 30 September 2025 are as follows:

Name	Number of Shares Held	% to Total
PCD NOMINEE CORPORATION (FILIPINO)	19,886,480	99.43
PCD NOMINEE CORPORATION (NON-FILIPINO)	113,520	00.57

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 20% 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 cash dividend declaration for its Commons Shares from 2013 until 2025.

Cash Dividends				
Fiscal Year	Total Amount of Dividends	Amount of dividends per share	Date of Declaration	Date of Payment
2013	₱184,436,193.00	₱0.019024	15 April 2013	16 May 2013
2014	₱184,471,576.00	₱0.0190	30 April 2014	5 June 2014
2015	₱201,158,909.00	₱0.0173418822	15 June 2015	16 July 2015
2016	₱205,022,943.00	₱0.0177	22 June 2016	20 July 2016
2017	₱205,065,834.00	₱0.0177	22 May 2017	19 June 2017
2018	₱199,999,999.00	₱0.0172	8 June 2018	6 July 2018
2019	₱137,919,252.00	₱0.01189	25 June 2019	23 July 2019
2020	₱147,847,020.00	₱0.0063	26 August 2020	18 September 2020
		₱0.0063		18 November 2020
2021	₱114,923,406.00	₱0.0050	21 July 2021	18 August 2021
		₱0.0050		18 October 2021
2022	0	0	-	-
2023	₱140,475,908.00	₱0.006055	29 June 2023	11 August 2023
		₱0.006055		13 October 2023
2024	₱463,660,840.00	₱0.023983	26 June 2024	12 August 2024
		₱0.015989		14 October 2024
2025	₱610,632,830.00	₱0.042114	16 June 2025	20 August 2025
		₱0.010529		22 October 2025

Below is the summary of the Company's stock dividend declaration for Common Shares.

Stock Dividends				
Fiscal Year	Total Number of Shares	Dividend Rate	Date of Declaration	Date of Payment
2013	1,999,999,993	20.661985%	13 October 2014	14 November 2014

Below is the summary of the Company's cash dividend declaration for CPGPB Preferred Shares:

Cash Dividends				
Fiscal Year	Total Amount of Dividends	Amount of dividends per share	Record Date	Date of Payment
2024	₱37,716,000	₱1.88858	25 April 2024	22 May 2024
	₱37,716,000	₱1.88858	26 July 2024	22 August 2024
	₱37,716,000	₱1.88858	28 October 2024	22 November 2024
2025	₱37,716,000	₱1.88858	5 February 2025	24 February 2025
	₱37,716,000	₱1.88858	25 April 2025	22 May 2025
	₱37,716,000	₱1.88858	28 July 2025	22 August 2025
	₱37,716,000	₱1.88858	28 October 2025	24 November 2025

CPGI's net income for fiscal year 2020 was ₱1,149 Million, and it paid dividends of ₱115 Million to its stockholders in July of 2021. CPGI's net income for fiscal year 2022 was ₱1,405 Million, and it paid dividends of ₱140 Million to its stockholders in August and October of 2023. CPGI's net income for fiscal year 2023 was ₱1,855 Million, and it paid dividends of ₱464 Million to its stockholders in September and November of 2024. CPGI's net income for fiscal year 2024 was ₱2,443 Million, and it paid dividends of ₱611 Million to its stockholders in August and October of 2025.

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. CPMI declared dividends to CPGI of ₱49 Million in 2020 and ₱40 Million in January to September 2022. PPHI declared dividends to CPGI of ₱80.62 Million in 2021 and ₱155.61 Million in January to September 2022. Each subsidiary ensures that on aggregate, the Subsidiaries adhere to CPGI's dividend policy of distributing at least 20% 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 have been derived from the Company's unaudited interim condensed consolidated financial statements as of 30 September 2025 and for the nine-month periods ended 30 September 2025 and 2024, and its audited consolidated financial statements as of 31 December 2024, 2023, and 2022 and for the years ended 31 December 2024, 2023, and 2022. 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 Accounting Standards 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 (P)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Revenue					
Real estate sales	11,130	9,303	12,759	10,795	9,231
Leasing revenue	620	899	1,191	1,293	1,362
Property management fee and other services	400	321	464	463	423
Hotel Services	92	70	122	57	0
Interest income from real estate sales	70	98	104	94	109
Total Revenue	12,312	10,690	14,640	12,701	11,127
Cost					
Cost of real estate sales	5,855	4,923	6,783	6,013	5,607
Cost of leasing	221	290	437	438	441
Cost of services	261	235	346	321	268
Total Costs	6,337	5,448	7,566	6,772	6,316
Gross Profit	5,975	5,242	7,074	5,929	4,810
General, administrative and selling expenses	3,113	2,611	3,704	3,351	2,771
Other Income (Expenses)					

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Interest and other income	998	918	1,085	798	469
Gain on change in fair value of investment properties	27	(129)	(164)	27	28
Share in net earnings of JVs and associate	0	0	1	2	4
Interest and other financing charges	(1,059)	(1,092)	(1,452)	(1,208)	(917)
Foreign exchange loss (gain)	0	0	0	(0)	1
Total Other Income (Expenses)	(34)	(303)	(530)	(381)	(415)
Income Before Tax	2,828	2,328	2,840	2,197	1,624
Provision for Income Tax	723	559	397	342	219
Net Income	2,105	1,769	2,443	1,855	1,405
Other Comprehensive Income					
Net change in fair value of equity instruments at fair value through OCI	–	–	(2)	–	–
Remeasurement (Loss) Gain on Defined Benefit Plan	–	–	24	(22)	64
Total Comprehensive Income	2,105	1,769	2,465	1,833	1,469

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)	For the years ended 31 December (Audited)		
		2024	2023	2022
ASSETS				
Current Assets				
Cash and cash equivalents	2,882	4,175	3,543	4,131

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)	For the years ended 31 December (Audited)		
		2025	2024	2023
Short-term investments	5	5	18	37
Receivables	13,823	11,454	10,646	9,845
Real estate inventories	19,565	17,194	18,832	17,724
Due from related parties	1,279	1,358	1,566	975
Advances to suppliers and contractors	1,930	1,630	1,662	1,750
Prepayments and other current assets	2,428	1,962	1,680	1,642
Total Current Assets	41,912	37,778	37,947	36,104
Noncurrent Assets				
Real estate receivables –net of current portion	1,272	1,063	1,269	109
Investment in and advances to JV	278	278	277	275
Deposits for purchased land	1,296	1,172	1,117	1,410
Investment properties	11,509	11,415	12,422	12,395
Property and equipment	3,257	3,157	1,373	2,484
Deferred tax assets – net	290	83	48	34
Other noncurrent assets	1,038	924	932	1,120
Total Noncurrent Assets	18,940	18,092	17,438	17,827
TOTAL ASSETS	60,852	55,869	55,385	53,931
LIABILITIES AND EQUITY				

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)	For the years ended 31 December (Audited)		
	2025	2024	2023	2022
Current Liabilities				
Accounts and other payables	11,054	7,760	6,220	4,995
Contract liabilities	3,872	5,567	3,873	2,769
Short-term debt	370	963	792	235
Current portion of long-term debt	1,933	1,264	3,852	2,192
Current portion of bonds payable	693	—	3,000	—
Current portion of liability for purchased land	50	3	49	67
Current portion of lease liability	11	—	17	16
Due to related parties	70	70	384	358
Income tax payable	225	140	51	69
Other current liabilities	34	42	74	68
Total Current Liabilities	18,312	15,809	18,312	10,769
Noncurrent Liabilities				
Long-term debt – net of current portion	9,440	8,709	6,500	8,814
Bonds payable – net of current portion	5,242	5,907	5,877	5,917
Liability for purchased land – net of current portion	676	—	—	64
Lease liability – net of	56	—	17	12

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)	For the years ended 31 December (Audited)		
	2025	2024	2023	2022
current portion				
Pension liabilities	324	301	290	231
Deferred tax liabilities – net	2,292	1,713	2,459	2,542
Other noncurrent liabilities	987	1,250	1,626	1,790
Total Noncurrent Liabilities	19,017	17,880	16,769	19,370
Total Liabilities	37,329	33,689	35,081	30,139
Equity				
Capital stock				
Common Stock	6,201	6,201	6,201	6,201
Preferred Stock	11	11	16	16
Additional paid-in capital	4,491	4,491	5,525	5,525
Treasury shares	(110)	(110)	(3,110)	(110)
Other components of equity	26	26	28	(683)
Retained earnings	12,830	11,487	11,594	10,514
Remeasurement Loss on Defined Benefit Plan	20	20	(4)	17
Total equity attributable to Parent Company	23,469	22,126	20,250	21,480
Non-controlling interests	54	54	54	2,312
Total Equity	23,523	22,180	20,304	23,792
TOTAL LIABILITIES AND EQUITY	60,852	55,869	55,385	53,931

CONSOLIDATED STATEMENTS OF CASH FLOWS

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)	For the years ended 31 December (Audited)		
		2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	2,828	2,840	2,197	1,624
Adjustments for:				
Interest and other financing charges	1,059	1,451	1,208	918
Depreciation and amortization	174	159	82	56
Retirement expense	36	43	43	47
Interest income	(115)	(276)	(250)	(163)
Loss (Gain) from change in fair value of investment properties	(27)	164	(27)	(28)
Share in net earnings of joint ventures and associate	–	(0)	(2)	(4)
Write off advances to related parties	–	–	13	–
Impairment on investment in a joint venture	–	–	–	3
Loss (gain) on sale of investment property	–	–	–	1
Operating income before working capital changes	3,955	4,381	3,264	2,454
Decrease (increase) in:				
Receivables	(2,673)	(2,686)	(1,867)	(184)
Real estate inventories	(1,544)	214	499	127
Advances to suppliers and contractors	(300)	32	88	677
Other assets	(568)	(224)	170	306
Increase (decrease) in:				
Accounts and other payables	3,135	1,540	1,195	(256)
Contract liabilities	(1,695)	1,694	1,104	(280)
Liability from purchased land	(3)	(46)	(81)	(77)

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)	For the years ended 31 December (Audited)		
	2025	2024	2023	2022
intended for development				
Other liabilities	(130)	(406)	(154)	(80)
Cash generated by (used in) operations	177	4,498	4,218	2,686
Interest received	44	151	145	53
Interest and other financing costs paid	(1,020)	(1,382)	(1,314)	(1,018)
Income taxes paid	(267)	(459)	(452)	(288)
Retirement benefits paid	(13)	-	(10)	(15)
Net cash provided by (used in) operating activities	(1,078)	2,808	2,587	1,418
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from:				
Maturity of short-term investments	-	13	19	996
Sale of investment properties	-	-	-	31
Sale of property and equipment	-	-	-	-
Maturity of investment in bonds	-	-	-	-
Payments for:				
Additions to investment properties	(50)	-	-	(13)
Additions to property and equipment	(192)	(179)	(84)	(160)
Deposits for purchased land	(225)	(55)	(5)	(81)
Intangible assets	(19)	(11)	(13)	-
Additions to short-term investments	-	-	-	-
Collections from (advances to) related parties	79	208	(607)	(443)
Net cash used in investing activities	(407)	(23)	(689)	330

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)	For the years ended 31 December (Audited)		
		2024	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from:				
Short-term and long-term debt	2,892	5,416	3,613	6,776
Issuance of preferred stock	–	2,000	–	–
Issuance of bonds payable	–	–	3,000	3,000
Additional investment from non-controlling interest	–	–	–	320
Increase (decrease) in liabilities to preferred shareholders of a subsidiary	7	17	8	(30)
Advances received from (made to) related parties	(0)	(314)	26	41
Payments for:				
Short-term and long-term debt	(2,098)	(5,603)	(3,710)	(7,869)
Cash dividends	(602)	(577)	(292)	(202)
Lease liabilities	(7)	(16)	(21)	(29)
Bonds payable	–	(3,000)	–	(3,000)
Deferred financing cost	–	(57)	(109)	(117)
Preferred share issuance cost	–	(19)	–	–
Dividends paid to non-controlling interest	–	–	(500)	(200)
Acquisition of non-controlling interest	–	–	(1,500)	–
Redemption of preferred shares	–	–	(3,000)	–
Net cash provided by financing activities	192	(2,152)	(2,485)	(1,310)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,294)	632	(588)	438
CASH AND CASH EQUIVALENTS AT	4,175	3,543	4,131	3,693

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)	For the years ended 31 December (Audited)		
		2024	2023	2022
BEGINNING OF YEAR				
CASH AND CASH EQUIVALENTS AT END OF YEAR	2,881	4,175	3,543	4,131

SEGMENT REVENUE AND NET INCOME

Nine (9)-Months ended 30 September 2025	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	2,383	-	400	1,249	-	8,377	(97)	12,312
Net Income	398	(5)	30	62	-	2,093	(473)	2,105

Nine (9)-Months ended 30 September 2024	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	2,703	0	321	1,015	0	6,680	(29)	10,690
Net Income	508	(9)	48	83	0	1,640	(501)	1,769

FTY 2024	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	3,241	-	464	1,280	-	9,732	(77)	14,640
Net Income	327	(9)	29	(13)	-	2,517	(408)	2,443

FTY 2023	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	3,587	-	463	1,587	-	7,135	(71)	12,701
Net Income	686	(9)	55	421	-	1,670	(970)	1,855

FTY 2022	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	3,148	-	422	2,438	-	5,160	(41)	11,127
Net Income	796	(7)	49	655	-	1,020	(1,110)	1,405

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 208 of this Prospectus for further details.

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Net income attributable to the equity holders of the parent company	2,105	1,769	2,443	1,321	901
Dividends declared to preferred shares	113	113	113	101	202
	1,992	1,656	2,330	1,220	699
Weighted average number of shares	11,600	11,600	11,600	11,600	11,600
EPS, basic / diluted (₱)	0.17	0.14	0.20	0.11	0.06
Gross Profit Margin					
Gross Profit	5,975	5,242	7,074	5,929	4,810
Revenue	12,312	10,690	14,640	12,701	11,127
Gross Profit Margin (%)	48.5%	49.0%	48.3%	46.7%	43.2%
NIAT Margin					
Net income	2,105	1,769	2,443	1,855	1,405
Revenue	12,312	10,690	14,640	12,701	11,127
NIAT Margin (%)	17.1%	16.5%	16.7%	14.6%	12.6%
Return on Asset (ROA)					
Total annualized net income after tax	2,806	2,359	2,443	1,855	1,405
Total asset current year	60,853	56,249	55,870	55,385	53,931
Total asset as of beginning of period	55,870	55,385	55,385	53,931	54,507
Average total asset	58,362	55,817	55,628	54,658	54,219
ROA (%)	4.8%	4.2%	4.4%	3.4%	2.6%
Return on Equity (ROE)					
Total annualized net income after tax	2,806	2,359	2,443	1,855	1,405
Total equity current year	23,524	21,879	22,181	20,304	23,792

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Total equity prior year	22,181	20,304	20,304	23,793	22,351
Average total equity	22,853	21,092	21,243	22,049	23,071
ROE (%)	12.3%	11.2%	11.5%	8.4%	6.1%
Interest coverage ratio					
Total net income after tax	2,105	1,769	2,443	1,855	1,405
Add: Provision for income tax	723	559	397	342	219
Add: Interest expense	992	1,013	1,357	1,089	796
EBIT	3,820	3,341	4,197	3,286	2,420
Interest expense	992	1,013	1,357	1,089	796
Interest coverage ratio (x)	3.9	3.3	3.1	3.0	3.0
Debt service coverage ratio					
Total debt service excluding sale of receivables with recourse and refinancing	3,266	6,824	6,925	3,159	6,230
Add: Cash and cash equivalents	2,882	4,818	4,175	3,543	4,131
Cash Before Debt Service	6,148	11,642	11,100	6,702	10,361
Divide: Debt service	3,266	6,824	6,925	3,159	6,230
Debt service coverage ratio (x)	1.9	1.7	1.6	2.1	1.7
Current ratio					
Current Assets	41,912	37,971	37,778	37,948	36,104
Current Liabilities	18,312	16,330	15,809	18,312	10,769
Current ratio (x)	2.3	2.3	2.4	2.1	3.4
Quick Ratio					
Current Assets	41,912	37,971	37,778	37,948	36,104
Inventory	19,565	16,465	17,194	18,832	17,723

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
Quick Assets	22,347	21,506	20,584	19,116	18,381
Current Liabilities	18,312	16,330	15,809	18,312	10,769
Quick Ratio (x)	1.2	1.3	1.3	1.0	1.7
Debt to equity ratio					
Short-term debt	370	984	963	792	235
Current portion of long-term debt	1,933	1,376	1,264	3,852	2,192
Current portion of bonds payable	693	-	-	3,000	-
Long-term debt – net of current portion	9,440	8,775	8,709	6,500	8,814
Bonds payable – net of current portion	5,242	5,900	5,907	5,877	5,917
Debt	17,677	17,035	16,844	20,021	17,158
Equity	23,524	21,879	22,181	20,304	23,793
Debt to equity ratio (x)	0.8	0.8	0.8	1.0	0.7
Net debt to equity ratio					
Debt	17,677	17,035	16,844	20,021	17,159
Less: Cash and cash equivalents	2,882	4,818	4,175	3,543	4,131
Net Debt	14,795	12,217	12,669	16,478	13,028
Total Equity	23,524	21,879	22,181	20,304	23,793
Net debt to equity ratio (x)	0.6	0.6	0.6	0.8	0.5
EBITDA					
Net income after tax	2,105	1,769	2,443	1,855	1,405
Provision for income tax	723	559	397	342	219
Income before Income Tax	2,828	2,328	2,840	2,197	1,624
Interest expense	992	1,013	1,357	1,089	796
Depreciation	174	86	159	82	56

In Million Pesos (₱)	For the nine (9) months ended 30 September (Unaudited)		For the years ended 31 December (Audited)		
	2025	2024	2024	2023	2022
and amortization					
EBITDA	3,994	3,427	4,356	3,368	2,476
Debt					
Debt	17,677	17,035	16,844	20,021	17,159
EBITDA (Annualized for Interim)	5,325	4,569	4,356	3,368	2,476
Debt-to-EBITDA (x)	3.3	3.7	3.9	6.0	6.9
Net Debt	14,795	12,216	12,669	16,478	13,028
EBITDA (Annualized for Interim)	5,325	4,569	4,356	3,368	2,476
Net Debt-to-EBITDA	2.8	2.7	2.9	4.9	5.3
Asset to equity ratio					
Total Assets	60,853	56,249	55,870	55,385	53,931
Total Equity	23,524	21,879	22,181	20,304	23,793
Asset to equity ratio (x)	2.6	2.6	2.5	2.7	2.3
Total Liabilities / Total Equity					
Total Liabilities	37,329	34,764	33,689	35,081	30,139
Total Equity	23,524	21,879	22,181	20,304	23,793
Total Liabilities / Total Equity	1.6	1.6	1.5	1.7	1.3

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 net income (net income for the nine (9)-month period ended 30 September 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 net income (net income for the nine (9)-month period ended 30 September 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 EBITDA (EBITDA for the nine (9)-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) EBIT is computed by adding back provision for income tax and interest expense to the net income for the period.
- 16) 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 2025 VS NINE (9)-MONTH 2024

Results of Operations and Material Changes to the Company's Income Statement for the nine (9)-month period ended 30 September 2025 compared to nine (9)-month period ended 30 September 2024
(In Millions of Pesos)

	9M 2025	9M 2024	Horizontal Analyses Increase (Decrease)		Vertical Analyses Increase (Decrease)	
			Amount	%	9M 2025	9M 2024
REVENUE						
Real estate revenue	11,129.63	9,303.04	1,826.59	19.63%	90%	87%
Leasing revenue	619.71	899.32	-279.61	-31.09%	5%	8%
Hotel Revenue	400.16	320.52	79.64	24.85%	3%	3%
Property management fee and other services	91.96	69.56	22.40	32.20%	1%	1%
Interest income from real estate sales	70.42	97.89	-27.47	-28.06%	1%	1%
	12,311.88	10,690.33	1,621.55	15.17%	100%	100%
COST AND EXPENSES						
Cost of real estate revenue	5,855.42	4,922.49	932.93	18.95%	48%	46%
Cost of leasing	220.48	290.22	-69.74	-24.03%	2%	3%
Cost of services	260.82	235.42	25.40	10.79%	2%	2%
	6,336.72	5,448.13	888.59	16.31%	51%	51%
GROSS PROFIT	5,975.16	5,242.20	732.96	13.98%	49%	49%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	3,113.24	2,611.47	501.77	19.21%	25%	24%
OTHER INCOME (EXPENSES)						
Interest and other income	997.58	918.08	79.50	8.66%	8%	9%
Share in net earnings of joint ventures and an associate	0.35	0.34	0.01	2.94%	0%	0%
Gain from change in fair value of investment properties	26.81	(129.40)	156.21	-120.72%	0%	-1%
Interest and other financing charges	(1,058.95)	(1,091.95)	33.00	-3.02%	-8.60%	-10.21%
	(34.21)	(302.93)	268.72	-88.71%	0%	-3%
INCOME BEFORE INCOME TAX	2,827.71	2,327.80	499.91	21.48%	23%	22%
PROVISION FOR INCOME TAX	723.01	558.64	164.37	29.42%	6%	5%
NET INCOME	₱2,104.70	₱1,769.16	₱335.54	18.97%	17%	17%

Revenues

Total revenues increased by ₱1,621.55 million or 15.17% to ₱12,311.88 million for the nine (9)-month period ended 30 September 2025 from ₱10,690.33 million for the nine (9)-month period ended 30 September 2024. On a vertical basis, real estate revenue continued to be the dominant source, accounting for 90% of total revenues in 2025, compared with 87% in 2024.

The 15.17% increase in total revenue was primarily driven by the following:

19.63% Increase in Real Estate Revenue due to higher sales take up, collections and on-schedule construction activities substantially from first home market segment projects during the period.

24.85% Increase in Hotel Revenue and 32.20% Increase in Property management fees and other services attributable to higher occupancy rates and improved average rates.

These increases were partially offset by:

31.09% decrease in Leasing Revenue mainly due to elevated vacancy rate from the government mandated exit of tenants and lower lease rate during the period.

28.06% Decrease in Interest Income from Real Estate Sales

Interest income from real estate sales represents interest accretion from installment contract receivables (ICR) and contract assets recognized during the period. Discount subject to accretion arises from the difference between present value of ICR and contract asset and its nominal value.

Cost and Expenses

Total cost and expenses increased by ₱888.59 million or 16.31% to ₱6,336.72 million, broadly in line with revenue growth. On a vertical basis, cost and expenses represented 51% of total revenues in both periods, indicating stable cost structure.

The Group's cost and expense increased by 16.31% due to the following:

- 18.95% increase in cost of sales directly attributable to the increase of real estate revenue.
- 24.03% decrease in cost of leasing directly attributable to lower leasing revenue.
- 10.79% increase in cost of services is directly attributable to the cost of hotel operations and higher property management fee and other services.

19.21% increase in General, Administrative and Selling Expense

The increase is mainly due to the increase operation costs to support the growing business of first homes business segment of the group. As a percentage of total revenues, these expenses slightly increased from 24% in 2024 to 25% in 2025.

8.66% increase in Interest and Other Income

The increase is mainly attributable to recognition of other income from forfeited collections of cancelled past due buyer's accounts.

120.72% increase in gain from change in fair value

The increase is mainly attributable to the higher fair value of in investment properties in 2025 compared to 2024.

29.42% increase in Provision for Income Tax

The increase was primarily due to higher taxable income during the period.

As a result of the foregoing, net income increased by 18.97%. Net income margin remained stable at 17%, reflecting sustained profitability despite higher operating and administrative costs.

**Financial Condition and Material Changes to the Company's Statement of Financial Position for the period-ended 30 September 2025 compared to 31 December 2024
(In Millions of Pesos)**

			Horizontal Analyses Increase (Decrease)		Vertical Analyses Increase (Decrease)	
	September 30, 2025	December 31, 2024	Amount	%	September 30, 2025	December 31, 2024
ASSETS						
Cash and cash equivalents	2,882.31	₱4,175.11	(1,292.80)	(30.96%)	5%	7%
Short-term investments	5.25	5.20	0.05	0.91%	0%	0%
Receivables	13,822.71	11,453.58	2,369.13	20.68%	23%	21%
Real estate inventories	19,565.10	17,194.28	2,370.82	13.79%	32%	31%
Due from related parties	1,278.61	1,357.80	(79.19)	(5.83%)	2%	2%
Advances to suppliers and contractors	1,930.07	1,629.83	300.24	18.42%	3%	3%
Other current assets	2,428.35	1,961.79	466.56	23.78%	4%	4%
Total Current Assets	41,912.39	37,777.59	4,134.80	10.95%	69%	68%
Noncurrent portion of installment contract receivables	1,272.42	1,062.90	209.52	19.71%	2%	2%
Deposits for purchased land	1,296.29	1,171.79	124.50	10.62%	2%	2%
Investments in and advances to joint ventures and associate	278.09	277.74	0.35	0.13%	0%	0%
Investment properties	11,508.62	11,414.77	93.85	0.82%	19%	20%
Property and equipment	3,257.35	3,157.40	99.95	3.17%	5%	6%
Deferred tax assets – net	290.29	82.71	207.58	250.97%	0%	0%
Other noncurrent assets	1,037.43	924.96	112.47	12.16%	2%	2%
Total Noncurrent Assets	18,940.49	18,092.27	848.22	4.69%	31%	32%
TOTAL ASSETS	60,852.88	55,869.86	4,983.02	8.92%	100%	100%
LIABILITIES						
Accounts and other payables	11,054.54	7,759.42	3295.12	42.47%	18%	14%
Contract liabilities	3,872.19	5,567.26	(1695.07)	(30.45%)	6%	10%
Short-term debt	370.00	962.88	(592.88)	(61.57%)	1%	2%
Current portion of:					0%	0%
Long-term debt	1,932.63	1,264.26	668.37	52.87%	3%	2%
Bonds Payable	692.96	-	692.96	100.00%	1%	0%
Liability from purchased land	50.00	3.00	47.00	1566.67%	0%	0%
Lease Liability	10.55	-	10.55	100.00%	0%	0%
Due to related parties	69.95	70.41	(0.46)	(0.65%)	0%	0%
Income Tax Payable	225.02	139.89	85.13	60.86%	0%	0%
Other current liabilities	34.48	41.54	(7.06)	(17.01%)	0%	0%
Total Current Liabilities	18,312.32	15,808.67	2,503.65	15.84%	30%	28%
Noncurrent portion of:						
Long-term debt	9,439.59	8,709.40	730.19	8.38%	16%	16%
Bonds Payable	5,241.82	5,907.40	(665.58)	(11.27%)	9%	11%
Liability from purchased land	676.09	-	676.09	100.00%	1%	0%
Lease Liability	56.55	-	56.55	100.00%	0%	0%
Pension liabilities	324.09	300.68	23.41	7.78%	1%	1%
Deferred tax liabilities	2,291.86	1,713.01	578.85	33.79%	4%	3%
Other noncurrent liabilities	986.81	1,250.13	(263.32)	(21.06%)	2%	2%
Total Noncurrent Liabilities	19,016.80	17,880.63	1,136.17	6.35%	31%	32%
Total Liabilities	37,329.12	33,689.30	3,639.82	10.80%	61%	60%
EQUITY						
Capital stock	6,200.85	6,200.85	-	0.00%	10%	11%
Preferred shares	10.60	10.60	-	0.00%	0%	0%
Additional paid-in capital	4,491.45	4,491.45	-	0.00%	7%	8%
Treasury shares	(109.67)	(109.67)	-	0.00%	0%	0%
Other components of equity	25.87	25.87	-	0.00%	0%	0%
Retained earnings	12,830.10	11,486.90	1343.20	11.69%	21%	21%
Remeasurement loss on defined benefit plan	20.38	20.38	-	0.00%	0%	0%
Total Equity Attributable to Equity Holders of the Parent Company	23,469.58	22,126.38	1343.20	6.07%	39%	40%
Non-controlling interest	54.18	54.18	-	0.00%	0%	0%
	23,523.76	22,180.56	1343.20	6.05%	39%	40%
	₱60,852.88	₱55,869.86	₱4,983.02	9.20%	100%	100%

Assets

The Group's total assets increased by 8.92% due to the following:

- Cash and cash equivalents and short-term investments decrease by 30.96% primarily due to higher capital expenditures for real estate segment for the period.
- Receivables including non-current portion increased by 20.60% primarily due to due to higher sales take up and revenue recognition during the period, resulting from strong performance of the group's first home business segment.
- Real estate inventories increased by 13.79% primarily due to acquisition of construction materials of first home projects and land for future project developments. Vertically, real estate inventories remained the largest component of total assets, underscoring the Company's focus on property development.
- Decrease from due from related parties by 5.83% due to collection of advances to 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.
- Advances to suppliers and contractors increase by 18.42% due to additional advances made to contractors of new projects.
- Increase in deposit for purchase land 10.62% due to deposit made for land acquisition during the period.
- 20.06% increase in total other current and non-current assets primarily due to an increase in creditable withholding tax, input vat and prepaid selling expenses for pre-sales during the period.

Liabilities

The Group's total liabilities increased by 10.80% due to the following:

- Accounts and other payables increased by 42.47% primarily due to accruals made at the end of the period and increase in inventory-related purchases.
- Contract liabilities decreased by 30.45% primarily due to higher recognition of real estate sales during the period. The movement in contract liability is mainly due to reservation sales and advance payment of buyers less real estate sales recognized upon reaching the equity threshold and from increase in percentage of completion
- Total short-term and long-term debt increased by 7.37% due to net availments of loans during the period.
- Increase in liabilities from purchase land pertains to the outstanding balance from the land purchase located in Pampanga during the period.
- During the period the Group recognizes lease liabilities related to lease contracts (as a lessee) for office spaces, to make lease payments and right-of-use assets representing the right to use the underlying assets.
- Income tax payable increased by 60.86% due to current income tax for Q3 2025 to be paid in the succeeding month.
- Pension liabilities increased by 7.78% due to accrual of retirement expense during the period.
- Total other current and non-current liabilities decreased by 20.93% due to forfeiture of rental deposits from lease contracts.

Equity

The Group's 6.05% increase in total stockholders' equity is mostly due to net income during the period amounting to ₱2,104.07 million. This is offset by ₱150.86 million dividend declared for preferred shares and ₱610.63 million dividend declared for common shares.

Liquidity and Obligations

As of the end of the reporting period, the Company has no overdue trade payables, is not in default of any loan covenants or contractual obligations and does not expect any liquidity shortfalls within the next twelve (12) months. Management believes that existing cash balances, projected operating cash flows, and available credit facilities are sufficient to meet the Company's obligations as they fall due over the next year.

Off-Balance Sheet Arrangements

The Company did not have any material off-balance sheet transactions, arrangements, or contingent obligations with unconsolidated entities or other persons during the reporting period that would have a material effect on its

financial condition, results of operations, liquidity, or capital resources. All material commitments and obligations are reflected in or disclosed in the consolidated financial statements and related notes.

Other Matters

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.

Key Performance Indicators

The top five (5) key performance indicators of the Company are shown below:

Key Performance Indicators	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Current Ratios (a)	2.3x	2.3x
Debt to Equity (b)	0.8x	0.8x
Debt to EBITDA (c)	3.3x	3.7x
Return on Assets (d)	4.8%	4.2%
Return on Equity (e)	12.3%	11.2%

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 by total interest-bearing debt.
- 4) Return on assets is calculated by dividing annualized net income by average total assets (beginning plus end of the period divided by two).
- 5) Return on equity is calculated by dividing annualized net income by average total equity (beginning plus end of the period divided by two).

Current ratio is maintained at 2.3x, reflecting adequate working capital to support ongoing operations.

The debt-to-equity ratio remained steady at 0.8x during the period, reflecting consistent leverage management.

The Group's Debt to EBITDA ratio improved as of September 30, 2025, primarily driven by the growth in annualized EBITDA, which outpaced the increase in total debts relative to the same period-ended September 30, 2024.

The Group's Return on Equity and Return on Assets improved as of September 30, 2025, primarily driven by the increase in annualized net income relative to the same period-ended September 30, 2024.

Selected Financial Indicators

30 September 2025 and 30 September 2024

Financial ratios	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Current/Liquidity Ratios		
Current Assets	41,912,387,005	37,971,415,597
Current Liabilities	18,312,326,863	16,330,005,430
Current Ratios	2.3	2.3
Current Assets	41,912,387,005	37,971,415,597
Inventory	19,565,097,534	16,465,164,368
Quick Assets	22,347,289,471	21,506,251,229
Current Liabilities	18,312,326,863	16,330,005,430
Quick Ratios	1.2	1.3
Total Assets	60,852,882,713	56,249,231,553
Total Liabilities	37,329,126,669	34,764,242,628
Solvency Ratio	1.6	1.6
Financial Leverage Ratio		
Debt	17,676,993,821	17,034,893,458
Total Assets	60,852,882,713	56,249,231,553
Debt to Asset Ratio	0.3	0.3
Liabilities and Debt Ratios		
Short-term debt	370,000,000	984,238,099
Long-term debt - Current	1,932,625,014	1,376,226,370
Long-term debt - Non-current	9,439,587,503	8,774,517,318
Bonds payable	5,934,781,304	5,899,911,671
Debt	17,676,993,821	17,034,893,458
Equity	23,523,756,044	21,878,524,878
Debt-to-Equity	0.8	0.8
Debt	17,676,993,821	17,034,893,458
Cash and Cash Equivalents	2,882,312,112	4,818,458,852
Net Debt	14,794,681,709	12,216,434,606
Equity	23,523,756,044	21,878,524,878
Net Debt-to-Equity	0.6	0.6
Debt	17,676,993,821	17,034,893,458
EBITDA (annualized)	5,325,140,955	4,568,714,947
Debt-to-EBITDA	3.3	3.7
Income before Income Tax	2,827,704,300	2,327,798,305
Interest expense	991,996,266	1,012,748,567
Depreciation and amortization	174,155,150	85,989,338
EBITDA	3,993,855,716	3,426,536,210
Income before Income Tax	2,827,704,300	2,327,798,305
Interest expense	991,996,266	1,012,748,567
EBIT	3,819,700,566	3,340,546,872
Interest expense	991,996,266	1,012,748,567
Interest Coverage Ratio	3.9	3.3
Asset to Equity Ratios		
Total Assets	60,852,882,713	56,249,231,553
Total Equity	23,523,756,044	21,878,524,878
Asset to Equity Ratio	2.6	2.6
Liabilities to Equity Ratios		
Total Liabilities	37,329,126,669	34,764,242,628
Total Equity	23,523,756,044	21,878,524,878

Financial ratios	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Liabilities to Equity Ratio	1.6	1.6
Profitability ratios		
Revenue	12,311,876,768	10,690,328,791
Gross Profit	5,975,154,259	5,242,203,428
Gross Profit Ratio	49%	49%
Net Income Attributable to Equity holders of the Parent Company	2,104,691,623	1,769,162,098
Revenue	12,311,876,768	10,690,328,791
Net Income Margin	17.1%	16.5%
Total Net Income after tax (Annualized)	2,806,255,497	2,358,882,797
Total Asset CY	60,852,882,713	56,249,231,553
Total Asset PY	55,869,859,949	55,385,411,059
Average total asset	58,361,371,331	55,817,321,306
Return on Asset	4.8%	4.2%
Total Net Income after tax	2,806,255,497	2,358,882,797
Total Equity CY	23,523,756,044	21,878,524,878
Total Equity PY	22,180,561,251	20,304,338,429
Average total equity	22,852,158,648	21,091,431,654
Return on Equity	12.2%	11.2%
Net Income	2,104,691,623	1,769,162,098
Revenue	12,311,876,768	10,690,328,791
Net Income Margin	17.1%	16.5%

REVIEW OF YEAR END 2024 VS YEAR END 2023

Results of Operations and Material Changes to the Company's Income Statement for the year ended 31 December 2024 compared to the year ended 31 December 2023 (In Millions of Pesos)

	2024	2023	Horizontal Analyses Increase (Decrease)		Vertical Analyses Increase (Decrease)	
			Amount	%	2024	2023
REVENUE						
Real estate revenue	₱12,759.50	₱10,794.58	₱1,964.92	18.20%	87%	85%
Leasing revenue	1,190.73	1,293.12	(102.39)	(7.92%)	8%	10%
Property management fee other services	464.41	462.54	1.87	0.40%	3%	4%
Hotel Services	121.89	57.43	64.46	112.24%	1%	0%
Interest income from real estate sales	103.74	93.75	9.99	10.66%	1%	1%
	14,640.27	12,701.42	1,938.85	15.26%	100%	100%
COST AND EXPENSES						
Cost of real estate revenue	6,783.15	6,013.02	770.13	12.81%	46%	47%
Cost of leasing	436.50	438.49	(1.99)	(0.45%)	3%	3%
Cost of services	346.42	320.59	25.83	8.06%	2%	3%
	7,566.07	6,772.10	793.97	11.72%	52%	53%
GROSS PROFIT	7,074.20	5,929.32	1,144.88	19.31%	48%	47%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	3,704.23	3,350.73	353.5	10.55%	25%	26%
OTHER INCOME (EXPENSES)						
Interest and other income	1,084.76	798.18	286.58	35.90%	7%	6%
Gain (loss) from change in fair values of investment properties	(163.88)	26.93	(190.81)	(708.54%)	(1%)	0%
Income from investment in associate	0.42	1.96	(1.54)	(78.57%)	0%	0%
Foreign exchange gain (loss)	0.06	(0.38)	0.44	(115.79%)	0%	0%
Interest and other financing charges	(1,451.58)	(1,208.44)	(243.14)	20.12%	(10%)	(10%)
	(530.22)	(381.75)	(148.47)	38.89%	(4%)	(3%)
INCOME BEFORE INCOME TAX	2,839.75	2,196.84	642.91	29.27%	19%	17%
PROVISION FOR INCOME TAX	397.22	342.19	55.03	16.08%	3%	3%
NET INCOME	₱2,442.53	₱1,854.65	₱587.88	31.70%	17%	15%

Revenues

Total revenues increased by ₱1,938.85 million or 15.26% to ₱14,640.27 million in 2024 from ₱12,701.42 million in 2023. On a vertical basis, real estate revenue continued to be the dominant source, accounting for 87% of total revenues in 2024, compared with 85% in 2023.

The Group's total revenue increase by 15.26% due to the following:

18.20% increase in real estate revenue

The increase is due to higher sales take up, collections and on-schedule construction activities substantially from first home market segment projects during the period.

7.92% decrease in leasing revenue

The increase was mainly due to the slightly elevated vacancy rate and lower lease rate during the period.

112.24% increase in hotel services

The hotel operations doubled its revenue in the current period as domestic tourism continue to grow.

10.66% increase in interest income from real estate sales

Increase in interest income for real estate sales is due to higher collections on Installment Contract Receivables (ICR). In accordance with existing accounting standards, ICR are booked at net present value to take out imputed

interest arising from installment nature of the receivables. The netted out imputed interest upon booking of sales is recognized as earned or accreted income only when corresponding actual collection is done.

Cost and Expenses

The Group's cost and expense increased by 11.72% due to the following:

- 12.81% increase in cost of sales directly attributable to the increase of real estate revenue
- 8.06% increase in cost of services is directly attributable to the cost of hotel operations and higher property management fee and other services.

10.55% increase in general, administrative and selling expenses

The increase is mainly due to the increased operation costs to support the growing business of first homes business segment of the group.

35.90% increase in interest and other income

The increase is mainly attributable to interest income earned from parked excess fund in short term fixed income instruments and recognition of other income from forfeited collections of cancelled past due buyer's accounts.

708.55% decrease in gain/loss from change in fair value

The decrease is mainly attributable to the lower fair value of Centuria Medical Makati and Century Diamond Tower in 2024 compared to the same period in 2023.

20.12% increase in interest and other financing charges

The increase was due to higher borrowing rate of the group compared with the same period last year.

16.08% increase in Provision for Income Tax

The increase was primarily due to higher taxable income during the period.

As a result of the foregoing, net income increased by 31.70% and net income margin increased to 17%.

Financial Condition and Material Changes to the Company's Statement of Financial Position for the year ended 31 December 2024 compared to 31 December 2023
(In Millions of Pesos)

	2024	2023	Horizontal Analyses Increase (Decrease)		Vertical Analyses Increase (Decrease)	
			Amount	%	2024	2023
ASSETS						
Cash and cash equivalents	₱4,175.11	₱3,543.35	₱631.76	17.83%	7%	6%
Short-term investments	5.20	18.26	(13.06)	(71.52%)	0%	0%
Receivables	11,453.58	10,646.18	807.40	7.58%	21%	19%
Real estate inventories	17,194.28	18,832.24	(1,637.96)	(8.70%)	31%	34%
Due from related parties	1,357.80	1,566.24	(208.44)	(13.31%)	2%	3%
Advances to suppliers and contractors	1,629.83	1,661.85	(32.02)	(1.93%)	3%	3%
Other current assets	1,961.79	1,679.89	281.90	16.78%	4%	3%
Total Current Assets	37,777.59	37,948.01	(170.42)	(0.45%)	68%	69%
Noncurrent portion of installment contract receivables	1,062.90	1,268.85	(205.95)	(16.23%)	2%	2%
Deposits for purchased land	1,171.79	1,116.79	55	4.92%	2%	2%
Investments in and advances to joint ventures and associate	277.74	277.32	0.42	0.15%	0%	1%
Investment properties	11,414.77	12,421.91	(1,007.14)	(8.11%)	20%	22%
Property and equipment	3,157.40	1,372.76	1,784.64	130.00%	6%	2%
Deferred tax assets – net	82.71	48.36	34.35	71.03%	0%	0%
Other noncurrent assets	924.96	931.42	(6.46)	(0.69%)	2%	2%
Total Noncurrent Assets	18,092.27	17,437.41	654.86	3.76%	32%	31%
TOTAL ASSETS	55,869.86	55,385.42	484.44	0.87%	100%	100%
LIABILITIES						
Accounts and other payables	7,759.42	6,219.57	1,539.84	24.76%	14%	11%
Contract liabilities	5,567.26	3,873.08	1,694.18	43.74%	10%	7%
Short-term debt	962.88	791.66	171.22	21.63%	2%	1%
Current portion of:						
Long-term debt	1,264.26	3,851.90	(2,587.64)	(67.18%)	2%	7%
Bonds Payable	-	3,000.00	(3,000.00)	(100.00%)	0%	5%
Liability from purchased land	3.00	49.48	(46.48)	(93.94)	0%	0%
Lease Liability	-	17.37	(17.37)	(100.00%)	0%	0%
Due to related parties	70.41	384.10	(313.69)	(81.67%)	0%	1%
Income Tax Payable	139.89	50.58	89.31	176.57%	0%	0%
Other current liabilities	41.54	73.85	(32.30)	(43.74%)	0%	0%
Total Current Liabilities	15,808.67	18,311.60	(2,502.93)	(13.67%)	28%	33%
Noncurrent portion of:						
Long-term debt	8,709.40	6,500.34	2,209.06	33.98%	16%	12%
Bonds Payable	5,907.40	5,877.44	29.96	0.51%	11%	11%
Lease Liability	-	16.83	(16.83)	(100.00%)	0%	0%
Pension liabilities	300.68	290.15	10.53	3.63%	1%	1%
Deferred tax liabilities	1,713.01	2,458.74	(745.73)	(30.33%)	3%	4%
Other noncurrent liabilities	1,250.14	1,625.98	(375.84)	(23.11%)	2%	3%
Total Noncurrent Liabilities	17,880.63	16,769.48	1,111.15	6.63%	32%	30%
Total Liabilities	33,689.30	35,081.08	(1,391.78)	(3.97%)	60%	63%
EQUITY						
Capital stock	6,200.85	6,200.85	-	0.00%	11%	11%
Preferred shares	10.60	15.90	(5.30)	(33.33%)	0%	0%
Additional paid-in capital	4,491.45	5,524.78	(1,033.33)	(18.70%)	8%	10%
Treasury shares	(109.67)	(3,109.67)	3,000.00	(96.47%)	0%	(6%)
Other components of equity	25.87	28.16	(2.29)	(8.13%)	0%	0%
Retained earnings	11,486.90	11,594.25	(107.35)	(0.93%)	21%	21%
Remeasurement loss on defined benefit plan	20.38	(4.11)	24.49	(595.86%)	0%	0%
Total Equity Attributable to Equity Holders of the Parent Company	22,126.38	20,250.16	1,876.22	9.27%	40%	37%
Non-controlling interest	54.18	54.18	-	0.00%	0%	0%
	22,180.56	20,304.34	1,876.22	9.24%	40%	37%
	₱55,869.86	₱55,385.42	₱484.44	0.87%	100%	100%

Assets

The Group's total assets slightly increased by 0.87% due to the following:

- Cash and cash equivalents and short-term investments increase by 17.83% as a result of higher cash flow provided by operating activities during the period.
- 71.52% decrease in short-term investments due to decreased in placement on money market exceeding three (3) months but less than one (1) year.
- Receivables including non-current portion increased by 5.05% primarily due to due to higher sales take up and revenue recognition during the period, resulting from strong performance of the group's first home business segment and partially offset by the impact of adoption of PIC Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04) and the collections from installment contract receivables.
- Real estate inventories decrease by 8.70% due to recognition of cost sales for sold units and the impact of the adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, Borrowing Cost) in which borrowing cost capitalized is removed from real estate inventories. Vertically, real estate inventories remained the largest component of total assets, underscoring the Company's focus on property development.
- Decrease from due from related parties by 13.31% due to collections of 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.
- 130.00% increase in property and equipment due to reclassification of the portion of leasable office occupied by the Group from investment property to property and equipment
- Deferred tax assets increase by 71.03% due to higher future deductible amounts during the year.
- 10.55% increase in total other current and non-current assets primarily due to an increase in prepaid selling expenses for pre-sales during the period and increase in input taxes.

Liabilities

The Group's total liabilities decreased by 3.97% due to the following:

- Accounts and other payables increased by 24.76% primarily due to collections of customers advances and accruals made at the end of the period and increase in inventory related purchases.
- Contract liabilities increased by 43.47% due to collections from customers booked as liability pending satisfaction of criteria for revenue recognition.
- Total short-term and long-term debt decreased by 1.86% due to net repayments of loans during the period.
- In March 2024, the Group redeemed its ₱3,000 million unsecured fixed rate peso retails which resulted in a 33.46% decrease in bonds payable.
- 93.94% decrease in liability in purchase land due to payments made during the period.
- 81.67% decrease in due to related parties due to repayments from related parties. Outstanding balances at year-end are unsecured, interest-free, settlement occurs in cash and collectible/ payable on demand.
- Income tax payable increased by 176.57% due to higher income during the period.
- Pension liabilities increase by 3.63% due to additional retirement expenses during the year.
- Deferred tax liability decreased by 30.33% primarily due to the tax impact of the adoption of new accounting standards.
- Total of other current and noncurrent liabilities decrease by 23.33% mostly attributable to the decrease in security deposits.

Equity

The Group's 9.24% increase in total stockholders' equity is mostly due to:

- Issuance of ₱2,000 million preferred shares.
- Net income during the period amounting to ₱2,442.52 million.
- This is offset by ₱38.63 million preferred shares issuance cost.

- ₱463.66 million dividends declared for common shares.
- ₱113.15 dividend declared for preferred shares.

Liquidity and Obligations

As of the end of the reporting period, the Company has no overdue trade payables, is not in default of any loan covenants or contractual obligations and does not expect any liquidity shortfalls within the next twelve (12) months. Management believes that existing cash balances, projected operating cash flows, and available credit facilities are sufficient to meet the Company's obligations as they fall due over the next year.

Off-Balance Sheet Arrangements

The Company did not have any material off-balance sheet transactions, arrangements, or contingent obligations with unconsolidated entities or other persons during the reporting period that would have a material effect on its financial condition, results of operations, liquidity, or capital resources. All material commitments and obligations are reflected in or disclosed in the consolidated financial statements and related notes.

Other Matters

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.

Key Performance Indicators

The top five (5) key performance indicators of the Company are shown below:

Key Performance Indicators	31 December 2024	31 December 2023
Current Ratios (a)	2.4x	2.1x
Debt to Equity (b)	0.8x	1.0x
Debt to EBITDA (c)	3.9x	5.9x
Return on Assets (d)	4.4%	3.4%
Return on Equity (e)	11.5%	8.4%

Notes:

- 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.
- Debt to Equity ratio computed by dividing total interest-bearing debt (includes short-term and long-term debts and bonds payable) by total equity.
- Debt to EBITDA is calculated by dividing EBITDA by total interest-bearing debt.
- Return on assets is calculated by dividing net income by average total assets (beginning plus end of the period divided by two).
- Return on equity is calculated by dividing net income by average total equity (beginning plus end of the period divided by two).

Current ratio increased mainly due to lower current portion of interest-bearing long-term debt.

Debt to equity decreased due to lower interest-bearing liabilities and increase in equity.

Debt to EBITDA decreased primarily due to higher EBITDA in 2024.

Return on Assets and Return on Equity increased due to higher net income recognized during the period ended 31 December 2024 compared to the same period ended 31 December 2023.

Selected Financial Indicators

Financial Ratios	31 December 24	31 December 23
Current/Liquidity Ratios		
Current Assets	37,777,582,124	37,948,003,526
Current Liabilities	15,808,673,105	18,311,592,815
Current Ratios	2.4	2.1
Current Assets	37,777,582,124	37,948,003,526
Inventory	17,194,279,164	18,832,235,203
Quick Assets	20,583,302,960	19,115,768,323
Current Liabilities	15,808,673,105	18,311,592,815
Quick Ratios	1.3	1.0
Total Assets	55,869,859,949	55,385,411,059
Total Liabilities	33,689,298,698	35,081,072,630
Solvency Ratio	1.7	1.6
Financial Leverage Ratio		
Debt	16,843,948,737	20,021,335,207
Total Assets	55,869,859,949	55,385,411,059
Debt to Asset Ratio	0.3	0.4
Liabilities and Debt Ratios		
Short-term debt	962,878,827	791,664,471
Long-term debt - Current	1,264,264,639	3,851,897,104
Long-term debt - non-current	8,709,402,078	6,500,336,528
Bonds payable	5,907,403,193	8,877,437,104
Debt	16,843,948,737	20,021,335,207
Equity	22,180,561,251	20,304,338,429
Debt-to-Equity	0.8	1.0
Debt	16,843,948,737	20,021,335,207
Cash and Cash Equivalents	4,175,107,957	3,543,351,959
Net Debt	12,668,840,780	16,477,983,248
Equity	22,180,561,251	20,304,338,429
Net Debt-to-Equity	0.6	0.8
Debt	16,843,948,737	20,021,335,207
EBITDA	4,355,997,915	3,367,875,397
Debt-to-EBITDA	3.9	5.9
Income before Income Tax	2,839,748,948	2,196,835,699
Interest expense	1,357,473,731	1,089,163,808
Depreciation and amortization	158,775,236	81,875,890
EBITDA	4,355,997,915	3,367,875,397
Income before Income Tax	2,839,748,948	2,196,835,699
Interest expense	1,357,473,731	1,089,163,808
EBIT	4,197,222,679	3,285,999,507
Interest expense	1,357,473,731	1,089,163,808
Interest Coverage Ratio	3.1	3.0

Financial Ratios	31 December 24	31 December 23
Asset to Equity Ratios		
Total Assets	55,869,859,949	55,385,411,059
Total Equity	22,180,561,251	20,304,338,429
Asset to Equity Ratio	2.5	2.7
Liabilities to Equity Ratios		
Total Liabilities	33,689,298,698	35,081,072,630
Total Equity	22,180,561,251	20,304,338,429
Liabilities to Equity Ratio	1.5	1.7
Profitability ratios		
Revenue	14,640,267,285	12,701,416,652
Gross Profit	7,074,189,770	5,929,314,100
Gross Profit Ratio	48%	47%
Net Income Attributable to Equity holders of the Parent Company	2,442,531,320	1,321,395,611
Revenue	14,640,267,285	12,701,416,652
Net Income Margin	16.7%	10.40%
Total Net Income after tax	2,442,531,320	1,854,643,366
Total Asset CY	55,869,859,949	55,385,411,059
Total Asset PY	55,385,411,059	53,931,100,448
Average total asset	55,627,635,504	54,658,255,754
Return on Asset	4.4%	3.4%
Total Net Income after tax	2,442,531,320	1,854,643,366
Total Equity CY	22,180,561,251	20,304,338,429
Total Equity PY	20,304,338,429	23,792,541,874
Average total equity	21,242,449,840	22,048,440,152
Return on Equity	11.5%	8.4%
Net Income	2,442,531,320	1,854,643,366
Revenue	14,640,267,285	12,701,416,652
Net Income Margin	16.7%	14.6%
Price/Earnings Ratio		
Price Per Share	0.420	0.385
Earnings Per Common Share	0.201	0.060
Price/Earnings Ratio	2.090	6.417

REVIEW OF YEAR END 2023 VS YEAR END 2022

Results of Operations and Material Changes to the Company's Income Statement for the year ended 31 December 2023 compared to the year ended 31 December 2022 (In Millions of Pesos)

	2023	2022	Horizontal Analyses Increase (Decrease)		Vertical Analyses Increase (Decrease)	
			Amount	%	2023	2022
REVENUE						
Real estate revenue	P10,794.58	P9,231.48	P1,563.09	16.93%	85%	83%
Leasing revenue	1,293.12	1,362.47	(69.35)	(5.09%)	10%	12%
Property management fee, hotel and other services	519.97	423.37	96.60	22.82%	4%	4%
Interest income from real estate sales	93.75	109.32	(15.57)	(14.24%)	1%	1%
	12,701.42	11,126.64	1,574.77	14.15%	100%	100%
COST AND EXPENSES						
Cost of real estate revenue	6,013.02	5,607.26	405.76	7.24%	47%	50%
Cost of leasing	438.49	440.82	(2.32)	(0.53%)	3%	4%
Cost of services	320.59	268.35	52.24	19.47%	3%	2%
	6,772.10	6,316.43	455.68	7.21%	53%	57%
GROSS PROFIT	5,929.32	4,810.21	1,119.09	23.26%	47%	43%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	3,350.73	2,771.10	579.63	20.92%	26%	25%
OTHER INCOME (EXPENSES)						
Interest and other income	798.18	469.28	328.90	70.09%	6%	4%
Gain from change in fair values of investment properties	26.93	28.25	(1.32)	(4.67%)	0%	0%
Income from investment in associate	1.96	3.92	(1.96)	(50.00%)	0%	0%
Foreign exchange gain (loss)	(0.37)	1.06	(1.44)	(35.85%)	0%	0%
Interest and other financing charges	(1,208.44)	(917.89)	(290.55)	31.65%	(10%)	(8%)
	(381.74)	(415.38)	33.63	8.10%	(3%)	(4%)
INCOME BEFORE INCOME TAX	2,196.85	1,623.73	573.10	35.30%	17%	15%
PROVISION FOR INCOME TAX	342.19	218.97	123.22	56.27%	3%	2%
NET INCOME	P1,854.66	P1,404.76	P449.88	32.03%	15%	13%

16.93% increase in real estate revenue

The increase in real estate revenue is mainly attributable to higher sales take up, collection and completion of the group's first home business segment during the period.

5.09% decrease in leasing revenue

The increase was mainly due to the slightly elevated vacancy rate and lower lease rate during the period.

22.82% increase in property management fee, hotel and other services

The increase is primarily due to the increase in management and service fee rates for property managed, and increased number of project and building managed. Hotel services also contributed to the increase.

14.24% decrease in interest income from real estate sales

Interest income from real estate sales represents interest accretion from installment contract receivables (ICR) and contract assets 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 most of the projects are already turned over.

7.24% increase in cost of sales

The increase is due to higher sales revenue recognized during the period.

19.47% increase in cost of services

The increase is mostly due to more revenue generating activities in property management and hotel business.

20.92% increase in general, administrative and selling expenses

The increase is mainly attributable to higher selling and marketing activities for the first home business segment for the existing and newly launched projects and phases.

70.09% increase in interest and other income

The increase is mainly attributable to the increase in interest income earned from short term temporary money market placements and recognition as other income the forfeited collections cancelled past due buyers accounts.

4.67% decrease in gain from change in fair value

The decrease is mainly attributable to the lower fair value of Centuria Medical Makati and Century City Mall in 2023 compared to the same period in 2022.

50.00% decrease in share in net income from its associate

The decrease is due to lower reported income of some associates.

31.65% increase in interest and other financing charges

The increase was due to higher interest rates and outstanding interest-bearing debt compared with same period in prior year.

56.27% increase in Provision for Income Tax

The increase was primarily due to higher taxable income during the period.

As a result of the foregoing, net income increased by 32.03%.

Financial Condition and Material Changes to the Company's Statement of Financial Position for the year ended 31 December 2023 compared to 31 December 2022
(In Millions of Pesos)

	2023	2022	Horizontal Analyses Increase (Decrease) Amount %		Vertical Analyses Increase (Decrease) 2023 2022	
ASSETS						
Cash and cash equivalents	₱3,543.35	₱4,130.88	(587.53)	(14.22%)	6%	8%
Short-term investments	18.26	36.79	(18.53)	(50.37%)	0%	0%
Receivables	10,646.18	9,845.28	800.90	8.13%	19%	18%
Real estate inventories	18,832.24	17,723.40	1,108.84	6.26%	34%	33%
Due from related parties	1,566.24	975.32	590.92	60.59%	3%	2%
Advances to suppliers and contractors	1,661.85	1,749.97	(88.12)	(5.04%)	3%	3%
Other current assets	1,679.89	1,642.04	37.85	2.31%	3%	3%
Total Current Assets	37,948.01	36,103.68	1,844.33	5.11%	69%	67%
Noncurrent portion of installment contract receivables						
	1,268.85	109.04	1,159.81	1,063.66%	2%	0%
Deposits for purchased land	1,116.79	1,409.48	(292.69)	(20.77%)	2%	3%
Investments in and advances to joint ventures and associate	277.32	275.37	1.95	0.71%	1%	1%
Investment properties	12,421.91	12,394.98	26.93	0.22%	22%	23%
Property and equipment	1,372.76	2,484.32	(1,111.56)	(44.74%)	2%	5%
Deferred tax assets – net	48.36	33.20	15.16	45.66%	0%	0%
Other noncurrent assets	931.42	1,121.02	(189.60)	(16.91%)	2%	2%
Total Noncurrent Assets	17,437.41	17,827.41	(390.00)	(2.19%)	31%	33%
TOTAL ASSETS	55,385.42	53,931.10	1,454.33	2.70%	100%	100%
LIABILITIES						
Accounts and other payables	6,219.58	4,994.69	1,224.88	24.52%	11%	9%
Contract liabilities	3,873.08	2,769.10	1,103.98	39.87%	7%	5%
Short-term debt	791.66	235.14	556.52	236.68%	1%	0%
Current portion of:						
Long-term debt	3,851.90	2,192.45	1,659.45	75.69%	7%	4%
Bonds Payable	3,000.00	-	3,000.00	100.00%	5%	0%
Liability from purchased land	49.48	67.20	(17.72)	(26.37%)	0%	0%
Lease Liability	17.37	15.43	1.94	12.57%	0%	0%
Due to related parties	384.10	358.06	26.04	7.27%	1%	1%
Income Tax Payable	50.58	68.58	(18.00)	(26.25%)	0%	0%
Other current liabilities	73.85	68.16	5.69	8.35%	0%	0%
Total Current Liabilities	18,311.60	10,768.81	7,542.78	70.04%	33%	20%
Noncurrent portion of:						
Long-term debt	6,500.34	8,813.86	(2,313.52)	(26.25%)	12%	16%
Bonds Payable	5,877.44	5,917.25	(39.81)	(0.67%)	11%	11%
Liability from purchased land	-	63.78	(63.78)	(100.00%)	0%	0%
Lease Liability	16.83	12.30	4.53	36.83%	0%	0%
Pension liabilities	290.15	231.19	58.96	25.50%	1%	0%
Deferred tax liabilities	2,458.74	2,542.14	(83.40)	(3.28%)	4%	5%
Other noncurrent liabilities	1,625.98	1,789.21	(163.23)	(9.12%)	3%	3%
Total Noncurrent Liabilities	16,769.48	19,369.73	(2,600.25)	(13.42%)	30%	36%
Total Liabilities	35,081.08	30,138.56	4,942.53	16.40%	63%	56%
EQUITY						
Capital stock	6,200.85	6,200.85	-	0.00%	11%	11%
Preferred shares	15.90	15.90	-	0.00%	0%	0%
Additional paid-in capital	5,524.78	5,524.78	-	0.00%	10%	10%
Treasury shares	(3,109.67)	(109.67)	(3,000.00)	2,735.48%	(6%)	0%
Other components of equity	28.16	(683.20)	711.36	(104.12%)	0%	(1%)
Retained earnings	11,594.25	10,514.10	1,080.15	10.27%	21%	19%
Remeasurement loss on defined benefit plan	(4.11)	17.44	(21.55)	(123.57%)	0%	0%
Total Equity Attributable to Equity Holders of the Parent Company	20,250.16	21,484.20	(1,230.04)	(5.73%)	37%	40%
Non-controlling interest	54.18	2,312.34	(2,258.16)	(97.66%)	0%	4%
	20,304.34	23,792.54	(3,488.20)	(14.66%)	37%	44%
	₱55,385.42	₱53,931.10	1,454.33	2.70%	100%	100%

14.22% decrease in cash and cash equivalents

The decrease is primarily due to repayment of debt during the year.

50.37% decrease in short-term investments

During the year the Group decreased the placement on money market exceeding three (3) months but less than one (1) year.

19.70% increase in total current receivables and noncurrent portion of installment contract receivables

The increase is due to higher sales take up and revenue recognition during the period, resulting from strong performance of the group's first home business segment.

6.26% increase in real estate inventories

The increase is primarily due to acquisition of raw land of first home projects amounting to P1.71 billion and reclassification of certain portion of hotel rooms from properties and equipment to real estate inventories.

60.59% increase in due from related parties

Increase is due to normal advances made to related parties which are done in arms-length terms and conditions.

5.04% decrease in advances to suppliers.

The decrease is due to recoupment through progress billings of completed projects.

5.49% decrease in total other current and non-current assets

The decrease is primarily due to the decrease in prepaid commissions net of increase creditable withholding taxes and input taxes.

20.77% decrease in deposit for purchased land

The increase is due to the application as partial payment the deposit made for land purchase.

44.74% decrease in property and equipment

The decrease is substantially due to reclassification of portion of hotel rooms from property and equipment to real estate inventories for sale.

45.66% increase in deferred tax assets

The increase is due to higher future deductible amounts during the year.

24.52% 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.

39.87% increase in contract liabilities

The increase is attributable to collections from customers booked as liability pending satisfaction of criteria for revenue recognition.

50.03% increase in total current and noncurrent bonds payable

The increase was due to issuance of bond in March 2023.

62.22% decrease in total current and noncurrent liabilities from purchased land

Decrease was due to payments made during the period.

23.33% increase in total current and non-current lease liability

This pertains to the additional accrued lease liability on existing lease contracts in accordance with PFRS 16.

7.27% 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.

26.25% decrease in income tax payable

Due primarily to lower taxable income during the period.

25.50% increase in pension liabilities

This is due to additional retirement expenses during the year.

8.48% decrease in total of other current and noncurrent liabilities

The decrease is mostly attributable to the decrease in security deposits.

14.66% decrease in total stockholders' equity

The decrease was mainly due to redemption of preferred shares, declaration of dividends, and acquisition of the shares of the minority of Mitsubishi Corporation in the group's first home business segment.

Liquidity and Obligations

As of the end of the reporting period, the Company has no overdue trade payables, is not in default of any loan covenants or contractual obligations and does not expect any liquidity shortfalls within the next twelve (12) months. Management believes that existing cash balances, projected operating cash flows, and available credit facilities are sufficient to meet the Company's obligations as they fall due over the next year.

Off-Balance Sheet Arrangements

The Company did not have any material off-balance sheet transactions, arrangements, or contingent obligations with unconsolidated entities or other persons during the reporting period that would have a material effect on its financial condition, results of operations, liquidity, or capital resources. All material commitments and obligations are reflected in or disclosed in the consolidated financial statements and related notes.

Other Matters

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.

Key Performance Indicators

The top five (5) key performance indicators of the Company are shown below:

Key Performance Indicators	31 December 2023	31 December 2022
Current Ratios (a)	2.1x	3.4x
Debt to Equity (b)	1.0x	0.7x
Debt to EBITDA (c)	5.9x	6.9x
Return on Assets (d)	3.4%	2.6%
Return on Equity (e)	8.4%	6.1%

Notes:

- a) 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.
- b) Debt to Equity ratio computed by dividing total interest-bearing debt (includes short-term and long-term debts and bonds payable) by total equity.
- c) Debt to EBITDA is calculated by dividing EBITDA by total interest-bearing debt.
- d) Return on assets is calculated by dividing net income by average total assets (beginning plus end of the period divided by two).
- e) Return on equity is calculated by dividing net income by average total equity (beginning plus end of the period divided by two).

Current ratio decreased mainly due to the inclusion in current liabilities computation, the bonds maturing in the first quarter of the following year, which bond was previously classified as long-term debt.

Debt to equity increased due to lower amount of equity resulting from redemption of preferred shares and acquisition of non-controlling interest on the one hand, and issuance of bonds on the other hand.

Debt to EBITDA decreased primarily due to higher EBITDA in 2023.

Return on Assets and Return on Equity increased due to higher net income recognized during the period ended 31 December 2023 compared to the same period ended 31 December 2022.

Selected Financial Indicators
31 December 2023 and 31 December 2022

Financial ratios	31-Dec-23 (Audit)	31-Dec-22 (Audit)
Liquidity Analysis Ratios		
Current Assets	37,948,003,525	36,103,684,078
Current Liabilities	18,311,592,815	10,768,820,128
Current Ratio	2.1	3.4
Current Assets	37,948,003,525	36,103,684,078
Inventory	18,832,235,203	17,723,397,564
Quick Assets	19,115,768,322	18,380,286,514
Current Liabilities	18,311,592,815	10,768,820,128
Quick Ratio	1.0	1.7
Total Assets	55,385,411,059	53,931,100,448
Total Liabilities	35,081,072,630	30,138,558,574
Solvency Ratio	1.6	1.8
Financial Leverage Ratios		
Debt	20,021,335,207	17,158,710,775
Total Assets	55,385,411,059	53,931,100,448
Debt Ratio	0.4	0.3
Short-term debt	791,664,471	235,141,310
Long-term debt - Current	3,851,897,104	2,192,453,618
Long-term debt - Non-current	6,500,336,528	8,813,861,924
Bonds payable	8,877,437,104	5,917,253,923
Debt	20,021,335,207	17,158,710,775
Equity	20,304,338,429	23,792,541,874
Debt-to-Equity	1.0	0.7
Debt	20,021,335,207	17,158,710,775
Cash and Cash Equivalents	3,543,351,959	4,130,877,582
Net Debt	16,477,983,248	13,027,833,193
Equity	20,304,338,429	23,792,541,874
Net Debt-to-Equity	0.8	0.5
Debt	20,021,335,207	17,158,710,775
EBITDA	3,367,875,390	2,475,710,475
Debt-to-EBITDA	5.9	6.9
Income before Income Tax	2,196,835,692	1,623,732,848
Interest expense	1,089,163,808	795,984,164
Depreciation and amortization	81,875,890	55,993,463
EBITDA	3,367,875,390	2,475,710,475
Income before Income Tax	2,196,835,692	1,623,732,848
Interest expense	1,089,163,808	795,984,164
EBIT	3,285,999,500	2,419,717,012
Interest expense	1,089,163,808	795,984,164
Interest Coverage Ratio	3.0	3.0
Asset to Equity Ratios		
Total Assets	55,385,411,059	53,931,100,448
Total Equity	20,304,338,429	23,792,541,874
Asset to Equity Ratio	2.7	2.3
Liabilities to Equity Ratios		
Total Liabilities	35,081,072,630	30,138,558,574
Total Equity	20,304,338,429	23,792,541,874
Liabilities to Equity Ratio	1.7	1.3

Financial ratios	31-Dec-23 (Audit)	31-Dec-22 (Audit)
Profitability ratios		
Revenue	12,701,416,652	11,126,646,235
Gross Profit	5,929,314,100	4,810,221,057
Gross Profit Ratio	47%	43%
Net Income	1,854,643,359	1,404,759,079
Revenue	12,701,416,652	11,126,646,235
Net Income after Tax Margin	14.6%	12.6%
Total Net Income after tax	1,854,643,359	1,404,759,079
Total Asset CY	55,385,411,059	53,931,100,448
Total Asset PY	53,931,100,448	54,506,509,548
Average total asset	54,658,255,754	54,218,804,998
Return on Asset	3.4%	2.6%
Total Net Income after tax	1,854,643,359	1,404,759,079
Total Equity CY	20,304,338,429	23,792,541,874
Total Equity PY	23,792,541,874	22,350,664,641
Average total equity	22,048,440,152	23,071,603,258
Return on Equity	8.4%	6.1%
Price/Earnings Ratio		
Price Per Share	0.280	0.385
Earnings Per Common Share	0.105	0.060
Price/Earnings Ratio	2.667	6.417

REVIEW OF YEAR END 2022 VS YEAR END 2021

Results of Operations and Material Changes to the Company's Income Statement for the year ended 31 December 2022 compared to the year ended 31 December 2021 (In Millions of Pesos)

			Horizontal Analyses Increase (Decrease)		Vertical Analyses Increase (Decrease)	
	2022	2021	Amount	%	2022	2021
REVENUE						
Real estate revenue	P 9,231.48	P7,664.40	P1,567.08	20.45%	83%	81%
Leasing revenue	1,362.47	1,200.37	162.11	13.50%	12%	13%
Property management fee and other services	423.37	400.01	23.36	5.84%	4%	4%
Interest income from real estate sales	109.32	180.12	(70.80)	(39.31%)	1%	2%
	11,126.65	9,444.90	1,681.75	17.81%	100%	100%
COST AND EXPENSES						
Cost of real estate revenue	5,607.26	4,808.42	798.84	16.61%	50%	51%
Cost of leasing	440.82	352.04	88.77	25.22%	4%	4%
Cost of services	268.35	272.73	(4.38)	(1.61%)	2%	3%
	6,316.43	5,433.19	883.23	16.26%	57%	58%
GROSS PROFIT	4,810.22	4,011.70	798.52	19.90%	43%	42%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	2,771.10	2,692.91	78.19	2.90%	25%	29%
OTHER INCOME (EXPENSES)						
Interest and other income	469.28	397.55	71.73	18.04%	4%	4%
Gain from change in fair values of investment properties	28.25	225.50	(196.75)	(87.45%)	0%	2%
Income from investment in associate	3.92	8.94	(5.08)	(56.47%)	0%	0%
Foreign exchange gain (loss)	1.06	3.21	(1.94)	(64.64%)	0%	0%
Interest and other financing charges	(917.89)	(894.59)	(23.30)	2.60%	(8%)	(9%)
	(415.39)	(259.39)	(155.35)	59.74%	(4%)	(3%)
INCOME BEFORE INCOME TAX	1,623.73	1,059.41	564.98	53.36%	15%	11%
PROVISION FOR INCOME TAX	218.97	(209.70)	428.67	(204.42%)	2%	(2%)
NET INCOME	P1,404.76	P1,269.11	P136.30	10.75%	13%	13%

20.45% increase in real estate revenue

The increase in real estate revenue is mostly due to increase in sales take up, collections and construction activities of affordable housing projects during the period.

13.50% increase in leasing revenue

The increase was mainly due to increase in the number of tenants during the period.

5.84% increase in property management fee and other services

The increase is primarily due to increase in management fee and service rates for property managed.

39.41% decrease in interest income from real estate sales

Interest income from real estate sales represents interest accretion from installment contract receivables (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.

16.61% increase in cost of sales

The increase is mainly due to increase real estate revenues.

25.22% increase in cost of leasing

The increase is directly attributable to higher leasing revenues.

18.04% increase in interest and other income

The increase is mainly attributable to the increase in interest income from cash in banks, money market placements and short-term investments and increase in forfeited collection or cancelled buyers discount.

87.45% decrease in gain from fair value of investment property

The decrease is mainly attributable to lower incremental fair value appreciation of Century Diamond Tower in 2022 compared to the same period in 2021.

56.47% decrease in share in net income from its associate

The decrease is due to lower reported income of some associates.

204.42% increase in provision for income tax

The increase was primarily due to higher taxable income during the period and impact of change in corporate income tax rate as a result of CREATE Law in 2021.

As a result of the foregoing, net income increased by 10.75%

Financial Condition and Material Changes to the Company's Statement of Financial Position for the year ended 31 December 2022 compared to 31 December 2021 (increase/decrease of 5% or more)
(In Millions of Pesos)

	2022	2021	Horizontal Analyses Increase (Decrease)		Vertical Analyses Increase (Decrease)	
			Amount	%	2022	2021
ASSETS						
Cash and cash equivalents	₱ 4,130.88	₱3,693.08	437.80	11.85%	8%	7%
Short-term investments	36.79	1,032.51	(995.73)	(96.44%)	0%	2%
Receivables	9,845.28	9,295.13	550.16	5.92%	18%	17%
Real estate inventories	17,723.40	16,143.10	1,580.30	9.79%	33%	30%
Due from related parties	975.32	526.96	448.36	85.08%	2%	1%
Advances to suppliers and contractors	1,749.97	2,426.74	(676.77)	(27.89%)	3%	4%
Other current assets	1,642.04	1,895.47	(253.42)	(13.37%)	3%	3%
Total Current Assets	36,103.68	35,012.99	1,090.70	(3.12%)	67%	64%
Noncurrent portion of installment contract receivables	109.04	366.00	(256.96)	(70.21%)	0%	1%
Deposits for purchased land	1,409.48	1,358.81	50.67	3.73%	3%	2%
Investments in and advances to joint ventures and associate	275.37	274.50	0.86	0.31%	1%	1%
Investment properties	12,394.98	13,995.03	(1,043.23)	(7.76%)	23%	26%
Property and equipment	2,484.32	1,815.84	111.66	4.71%	5%	3%
Deferred tax assets – net	33.20	26.76	6.44	24.06%	0%	0%
Other noncurrent assets	1,121.02	1,656.58	(535.55)	(32.33%)	2%	3%
Total Noncurrent Assets	17,827.42	19,493.52	(1,666.11)	(8.55%)	33%	36%
TOTAL ASSETS	53,931.10	54,506.51	(575.41)	(1.06%)	100%	100%
LIABILITIES						
Accounts and other payables	4,994.69	5,251.10	(256.41)	(4.88%)	9%	10%
Contract liabilities	2,769.10	3,048.61	(279.51)	(9.17%)	5%	6%
Short-term debt	235.14	468.36	(233.22)	(49.79%)	0%	1%
Current portion of:						
Long-term debt	2,192.45	5,467.83	(3,275.37)	(59.90%)	4%	10%
Bonds Payable	-	2,992.05	(2,992.06)	(100.00%)	0%	5%
Liability from purchased land	67.20	67.20	-	0.00%	0%	0%
Lease Liability	15.43	25.54	(10.11)	(39.57%)	0%	0%
Due to related parties	358.06	317.36	40.70	12.83%	1%	1%
Income Tax Payable	68.58	69.41	(0.83)	(1.20%)	0%	0%
Other current liabilities	68.16	109.55	(41.39)	(37.78%)	0%	0%
Total Current Liabilities	10,768.82	17,817.01	(7,048.20)	(39.56%)	20%	33%
Noncurrent portion of:						
Long-term debt	8,813.86	6,370.78	2,443.08	38.35%	16%	12%
Bonds Payable	5,917.25	2,955.14	2,962.11	100.24%	11%	5%
Liability from purchased land	63.78	141.14	(77.36)	(54.81%)	0%	0%
Lease Liability	12.30	31.60	(19.30)	(61.08%)	0%	0%
Pension liabilities	231.19	279.63	(48.44)	(17.32%)	0%	1%
Deferred tax liabilities	2,542.14	2,647.91	(105.76)	(3.99%)	5%	5%
Other noncurrent liabilities	1,789.21	1,912.63	(123.42)	(6.45%)	3%	4%
Total Noncurrent Liabilities	19,369.74	14,338.83	5,030.91	35.09%	36%	26%
Total Liabilities	30,138.56	32,155.84	(2,017.29)	(6.27%)	56%	59%
EQUITY						
Capital stock	6,200.85	6,200.85	-	0.00%	11%	11%
Preferred shares	15.90	15.90	-	0.00%	0%	0%
Additional paid-in capital	5,524.78	5,524.78	-	0.00%	10%	10%
Treasury shares	(109.67)	(109.67)	-	0.00%	0%	0%
Other components of equity	(683.20)	(683.20)	-	0.00%	(1%)	(1%)
Retained earnings	10,514.10	9,814.34	699.76	7.13%	19%	18%
Remeasurement loss on defined benefit plan	17.44	(42.50)	59.95	(141.03%)	0%	0%
Total Equity Attributable to Equity Holders of the Parent Company	21,484.72	20,720.50	759.71	3.67%	40%	38%
Non-controlling interest	2,312.34	1,630.17	682.17	41.85%	4%	3%
	23,792.54	22,350.67	1,441.88	6.45%	44%	41%
	₱53,931.10	₱54,506.51	(575.41)	(1.06%)	100%	100%

11.85% increase in cash and cash equivalents

Increase is primarily due to cash sales and collection from matured accounts and maturity of short-term investments.

96.44% decrease in short-term investments

During the year the Group decreased the placement on money market exceeding three (3) months but less than one (1) year.

3.03% decrease in total receivables and noncurrent portion of installment contract receivables

The decrease is primarily due to collections of maturing accounts.

9.79% increase in real estate inventories

The increase is primarily due to acquisition of raw land of affordable housing projects amounting to P1.75 billion and reclassification of certain retail office from investment properties to real estate inventories.

85.08% increase in due from related parties

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.

27.89% decrease in advances to suppliers.

The decrease is due to recoupment through progress billings from completion of Century Spire and The Residences at Commonwealth Quezon South

7.76% decrease in investment properties

The decrease is due to reclassification of certain retail office from investment properties to inventories due to change management intent from leasing to selling of these units.

24.06% increase in deferred tax assets

The increase is due to additional deferred tax assets recognized during the year.

22.21% decrease in total other current and non-current assets

The decrease is due to amortization of deferred selling expenses and recognition of advances to land owner to real estate inventories.

4.88% decrease in accounts and other payables

The decrease is due to payments of payable for the period.

9.17% decrease in total 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.

8.66% decrease in total short-term and long-term debt

The decrease is attributable to payments made by the Group during the year.

37.13% decrease in total current and non-current liabilities from purchased land

Due to payments made during the year.

51.47% decrease in total current and non-current lease liability

The decrease is due to retirement of lease liability in relation to office spaces the Group no longer occupies.

12.83% 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.

8.15% decrease in total of other current and noncurrent liabilities

The decrease is mostly attributable to recognition of deferred lease income during the year and recognition of equity portion of deposit from preferred shares of CALC.

17.32% decrease in pension liabilities

The decrease is attributable to benefits paid during the year and remeasurement gain on defined benefit plan recognized during the year.

6.45% increase in total stockholders' equity

This is due to the net income recorded for the year ended 31 December 2022, recognition of equity portion from deposit from preferred shares of CALC, additional investment from Mitsubishi Corporation interest amounting to ₱320 million net of dividend declarations and remeasurement gain recognized during the year.

Liquidity and Obligations

As of the end of the reporting period, the Company has no overdue trade payables, is not in default of any loan covenants or contractual obligations and does not expect any liquidity shortfalls within the next twelve (12) months. Management believes that existing cash balances, projected operating cash flows, and available credit facilities are sufficient to meet the Company's obligations as they fall due over the next year.

Off-Balance Sheet Arrangements

The Company did not have any material off-balance sheet transactions, arrangements, or contingent obligations with unconsolidated entities or other persons during the reporting period that would have a material effect on its financial condition, results of operations, liquidity, or capital resources. All material commitments and obligations are reflected in or disclosed in the consolidated financial statements and related notes.

Other Matters

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.

Key Performance Indicators

The top five (5) key performance indicators of the Company are shown below:

Key Performance Indicators	31 December 2022	31 December 2021
Current Ratios (a)	3.4x	2.0x
Debt to Equity (b)	0.7x	0.8x
Debt to EBITDA (c)	6.9x	9.5x
Return on Assets (d)	2.6%	2.4%
Return on Equity (e)	6.1%	5.8%

Notes:

- a) 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.
- b) Debt to Equity ratio computed by dividing total interest-bearing debt (includes short-term and long-term debts and bonds payable) by total equity.
- c) Debt to EBITDA is calculated by dividing EBITDA by total interest-bearing debt.
- d) Return on assets is calculated by dividing net income by average total assets (beginning plus end of the period divided by two).
- e) Return on equity is calculated by dividing net income by average total equity (beginning plus end of the period divided by two).

Current ratio increased as a result of the decline in current liabilities, primarily as a result of payment of bonds during the year.

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 as of 31 December 2022 and additional investment from minority interest compared to the same period as of 31 December 2021.

Debt to EBITDA decreased primarily due to the increase in EBITDA as of 31 December 2022 compared to the same period as of 31 December 2021.

Return on Assets and Return on Equity increased due to higher net income recognized during the period ended 31 December 2022 compared to the same period ended 31 December 2021.

Selected Financial Indicators
31 December 2022 and 31 December 2021

Financial ratios	December 31, 2022	December 31, 2021
Liquidity Analysis Ratios		
Current Assets	36,103,684,078	35,012,984,828
Current Liabilities	10,768,820,128	17,817,016,575
Current Ratios	3.4	2.0
Current Assets	36,103,684,078	35,012,984,828
Inventory	17,723,397,564	16,143,099,068
Quick Assets	18,380,286,514	18,869,885,760
Current Liabilities	10,768,820,128	17,817,016,575
Quick Ratios	1.7	1.1
Solvency Ratio		
Total Assets	53,931,100,448	54,506,509,548
Total Liabilities	30,138,558,574	32,155,844,907
Solvency Ratio	1.8	1.7
Financial Leverage Ratios		
Debt	17,158,710,775	18,254,162,862
Total Assets	53,931,100,448	54,506,509,548
Debt Ratio	0.3	0.3
Short-term debt	235,141,310	468,360,083
Long-term debt - Current	2,192,453,618	5,467,828,327
Long-term debt - Non-current	8,813,861,924	6,370,779,023
Bonds payable	5,917,253,923	5,947,195,429
Debt	17,158,710,775	18,254,162,862
Equity	23,792,541,874	22,350,664,641
Debt-to-Equity	0.7	0.8
Debt	17,158,710,775	18,254,162,862
Cash and Cash Equivalents	4,130,877,582	3,693,074,161
Net Debt	13,027,833,193	14,561,088,701
Equity	23,792,541,874	22,350,664,641
Net Debt-to-Equity	0.5	0.7
Income before Income Tax	1,623,732,848	1,059,406,284
Interest expense	795,984,164	795,147,267
Depreciation and amortization	55,993,463	67,580,015
EBITDA	2,475,710,475	1,922,133,566
Debt	17,158,710,775	18,254,162,862
EBITDA	2,475,710,475	1,922,133,566
Debt-to-EBITDA	6.9	9.5
Income before Income Tax	1,623,732,848	1,059,406,284
Interest expense	795,984,164	795,147,267
EBIT	2,419,717,012	1,854,553,551
Interest expense	795,984,164	795,147,267
Interest coverage ratio	3.0	2.3
Asset to Equity Ratios		
Total Assets	53,931,100,448	54,506,509,548
Total Equity	23,792,541,874	22,350,664,641
Asset to Equity Ratio	2.3	2.4
Liabilities to Equity Ratios		
Total Liabilities	30,138,558,574	32,155,844,907
Total Equity	23,792,541,874	22,350,664,641
Liabilities to Equity Ratio	1.3	1.4

Financial ratios	December 31, 2022	December 31, 2021
Profitability ratios		
Revenue	11,126,646,235	9,444,895,630
Gross Profit	4,810,221,057	4,011,702,937
Gross Profit Ratio	43%	42%
Net Income	1,404,759,079	1,269,106,148
Revenue	11,126,646,235	9,444,895,630
Net Income Margin	12.6%	13.4%
Total Net Income after tax	1,404,759,079	1,269,106,148
Total Asset CY	53,931,100,448	54,506,509,548
Total Asset PY	54,506,509,548	53,008,903,420
Average total asset	54,218,804,998	53,757,706,484
Return on Asset	2.6%	2.4%
Total Net Income after tax	1,404,759,079	1,269,106,148
Total Equity CY	23,792,541,874	22,350,664,641
Total Equity PY	22,350,664,641	21,131,273,660
Average total equity	23,071,603,258	21,740,969,151
Return on Equity	6.1%	5.8%
Price/Earnings Ratio		
Price Per Share	0.385	0.400
Earnings Per Share	0.060	0.065
Price/Earnings Ratio	6.382	6.193

CAPITAL EXPENDITURES

The table below sets out our actual capital expenditures in for the year ended 31 December 2022, 2023, 2024 and for the nine (9)-month period ending 30 September 2025.

	Expenditure (in ₱ Millions)
2022	5,996.4
2023	4,937.8
2024	6,817.9
30 September 2025	8,170.0

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 or 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 31 October 2025 are as follows:

Name	Position	Age	Citizenship
Jose E.B. Antonio	Executive Chairman	78	Filipino
John Victor R. Antonio	Vice Chairman	52	Filipino
Jose Marco R. Antonio	President and CEO / Managing Director	51	Filipino
Jose Carlo R. Antonio	Director / Managing Director / Corporate Treasurer / Investor Relations Officer	42	Filipino
Hilda R. Antonio	Director	78	Filipino
Stephen T. CuUnjieng	Independent Director	66	Filipino
Carlos C. Ejercito	Independent Director	79	Filipino
Jose L. Cuisia, Jr.	Independent Director	80	Filipino
Aileen Christel U. Ongkauko	Independent Director	57	Filipino
Rafael G. Yaptinchay	Director	75	Filipino
Ricardo P. Cuerva	Director	80	Filipino
Danny E. Bunyi	Corporate Secretary	60	Filipino
Carlos Benedict K. Rivilla, IV	Assistant Corporate Secretary	54	Filipino
Julienne Cruz	Head for Corporate Communications	42	Filipino
Atty. Isabelita Ching-Sales	Chief Legal Officer, Chief Information Officer and Chief Compliance Officer	46	Filipino
Ritchelle T. Cordero	Chief Human Resource Officer and Group Head for Administration	45	Filipino
Rodel V. Marqueses	Chief Financial Officer	40	Filipino

Amb. Jose E.B. Antonio, 78 years old, Filipino, is one of the founders and the 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 former President Duterte as *the Philippines'* special envoy to the United States of America (U.S.A.), effective 28 October 2016. His mission is to enhance business ties and strengthen the economic affairs between the two countries.

Mr. John Victor R. Antonio, 52 years old, Filipino, is Vice-Chairman of the Company. He has been with the Company for 32 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 finished his Master's in Business Administration ("**MBA**") program from the Wharton School in 2003.

Mr. Jose Marco R. Antonio, 51 years old, Filipino, is President and Chief Executive Officer / Managing Director of the Company. Prior to joining the Company, he worked at Blackstone Real Estate Partners as a financial analyst. He has been with the Company for 29 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 MBA from the Wharton School in 2004.

Mr. Jose Carlo R. Antonio, 42 years old, Filipino, is a Director / Managing Director / Corporate Treasurer / Investor Relations Officer of the Company and a member of the Board of Directors. 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, 78 years old, Filipino, is a Director of the Company and a member of the Board. She is the wife of the Chairman, Amb. Jose E.B. Antonio. She is a philanthropist and 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, 80 years old, Filipino, is a Director of the Company and a member of the 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 MBA 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 the Company's vertical developments.

Mr. Rafael G. Yaptinchay, 75 years old, Filipino, is a Director of the Company and a member of the Board. Mr. Yaptinchay was a co-founder of Meridien and served as Meridien's President from 1996 to 2009. He 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 in Economics) and received his MBA from Asian Institute of Management in 1974.

Amb. Jose L. Cuisia Jr., 80 years old, Filipino citizen, is the former Ambassador Extraordinary and Plenipotentiary of the Republic of the Philippines to the U.S.A. Ambassador Cuisia is also well-respected figure in Philippine business, with over 32 years in financial services, most recently as the President and Chief Executive Officer (“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 SSS 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 BSP, 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., and Philippine Investment Management, Inc. He likewise serves as an Independent Director of Manila Water Company, Inc.

Mr. Stephen T. CuUnjieng, 66 years old, Filipino citizen, is a prominent investment banker, and currently serves as an Independent Director of First Philippine Holdings Inc, Century Pacific Food, PBCOM and Greenergy Holdings. He has a long and extensive experience in investment banking with several major financial institutions including HFS Capital LLC and Evercore Partners, Inc., as well as 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, 79 years old, Filipino, is the former Chairman of the UCPB 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 MBA 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, 57 years old, Filipino citizen, is concurrently the Group President and CEO 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.

Atty. Danny E. Bunyi, 60 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, 54 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 17 August 2011.

Mr. Rodel V. Marqueses, 40 years old, Filipino, is the Group Chief Financial Officer (“**CFO**”). He graduated with academic distinction from San Beda College, Manila in 2005 with the degree of Bachelor of Science in Accountancy. Prior to his appointment, he was Chief Financial Officer of PPHI, a wholly-owned subsidiary of the Company, since July 2024. Prior to joining the Company, he was the Chief Financial Officer of Udenna Land, Inc. and Udenna Infrastructure Corporation, and Vice President for Finance of Udenna Corporation, AVP for Controllershship of Arthaland Corporation, Group Financial Controller at Chelsea Logistics and Infrastructure Holdings Group Corp., and Audit Senior Manager at Punongbayan & Araullo.

Ms. Julienne Cruz, 42 years old, Filipino, is the Group Head for Corporate Communications of the Company effective 1 November 2021. Prior to joining the Company in 2007, she served as a Public Relations (“**PR**”) 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 MBA degree through the Regis program of the Ateneo Graduate School of Business in Makati.

Atty. Isabelita Ching-Sales, 46 years old, Filipino, serves as the Company's Chief Legal Officer, 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, 45 years old, Filipino, is the Chief Human Resource Officer and Group Head for 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 completed the Executive MBA degree program at the Asian Institute of Management in 2017. Prior to joining the Company, he was the Human Resources (“**HR**”) Manager of Ayala Property Management Corporation, a subsidiary of Ayala Land Inc., HR Officer of DMCI Project Developers, Inc., and 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 (in ₱)	Bonus (in ₱)	Other Annual Compensation (in ₱)
Aggregate executive compensation for CEO and top 5 Most Highly Compensated Officers/ Directors*	Projected 2025	66,897,799.58	13,011,777.23	0
	Actual 2025 (as of Sept 30)	45,912,138.92	11,522,868.71	0
	Actual 2024	63,111,131.68	11,102,652.21	0
	Actual 2023	67,734,124.85	9,265,917.61	0
Aggregate executive compensation of all other officers unnamed	Projected 2025	28,210,670.44	4,114,379.04	0
	Actual 2025 (as of Sept 30)	16,821,466.71	3,211,850.94	0
	Actual 2024	26,613,840.04	3,148,663.39	0
	Actual 2023	25,716,094.67	5,419,986.37	0

*These include Jose Marco Antonio (President and Chief Executive Officer), Jose Eduardo Antonio, Jose Carlo Antonio, John Victor Antonio, and Rafael Yaptinchay.

Information as to the aggregate compensation paid or accrued of the following members of management who are not at the same time directors during the financial year follows:

Name of Officer/Position	Salary (in ₱)	Bonus (in ₱)	Total (in ₱)
Ponciano S. Carreon (Former CFO – January to May 2025)	16,821,466.71	3,211,850.94	20,033,317.65
Ritchelle T. Cordero (CHRO and Group Head for Administration)			
Carlos Benedict K. Rivilla (Asst. Corp. Sec.)			
Julienne M. Cruz (Head for Corporate Communications)			
Isabelita C. Sales (Chief Legal Officer, Chief Information Officer and Chief Compliance Officer)			

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 receive a monthly fee of ₱100,000.00 for board meetings, special meetings and board committee meetings. With regard to the employment contracts between the Company and the executive officers, the Company uses 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 31 December 2025, the Company is aware of only (2) stockholders owning in excess of 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- Carlos Benedict K. Rivilla, IV Duly authorized representative	Filipino	6, 472,351,319	55.32%
Common	PCD Nominee Corporation (Filipino) (G/F Phil Stock Exchange Bldg., Makati) (relationship with issuer – None)	Majority	Filipino	4,845,274,605	41.41%

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 31 December 2025, 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	60,580,425-Direct	Filipino	0.52
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	150,000,002 - Direct	Filipino	1.29
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
-	Atty. Danny E. Bunyi	-	Filipino	-
-	Carlos Benedict K. Rivilla, IV	-	Filipino	-
-	Isabelita Ching-Sales	-	Filipino	-
-	Ritchelle T. Cordero	-	Filipino	-
Common	Aggregate Amount of Ownership of all Directors and Officers as a Group	210,580,436		1.81

VOTING TRUST HOLDERS OF 5.0% OR MORE

As of 31 December 2025, the Company does not know of any person who holds more than 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

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.

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 30 September 2025 and 31 December 2024, the amounts due from related parties are ₱1,278.61 Million and ₱1,357.80 Million, respectively.

The amounts due to related parties of the Company amounted to ₱69.95 Million and ₱70.41 Million, as of 30 September 2025 and 31 December 2024, respectively.

Related party transactions are disclosed in the Company's reviewed consolidated financial statements as of 30 September 2025 and audited consolidated financial statements as of 31 December 2024, 2023, and 2022 under "Related Party Transactions".

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 30 September 2025, CPGI had the equivalent of ₱21.81 Billion of approved credit facilities, of which ₱17.84 Billion is outstanding.

The following table describes the consolidated outstanding long and short-term debt of CPGI and its subsidiaries as of 30 September 2025.

Description of Indebtedness	Borrower	Lender	Original Principal Amount (In ₱ Million)	Maturity / Due Date	Amount Outstanding as of 30 September 2025 (In ₱ Million)
Term Loan					
Term Loan	CCDC	CBC	3,200	September 2029	2,998
Term Loan	CPGI	CBC	1,500	November 2028	1,224
Term Loan (short-term)	PPHI	CBS	2,000	Various (December 2025 to May 2029)	1,615
Term Loan	CLC	DBP	1,000	July 2026	700
Term Loan	CCDC II	PNB	4,000	Various (October 2025 to October 2027)	3,645
Term Loan (short-term)	CPGI	PNB	1,305	Various (October 2025 to February 2026)	370
Sub-total			13,005		10,553
Contract-To-Sell Financing					
Contract-To-Sell Financing	CLC	BDO	1,000	Various (October 2025 to September 2026)	4
Contract-To-Sell Financing	PPHI	BDO		Various (October 2025 to March 2029)	30
Contract-To-Sell Financing	TPI I	BDO		Various (October 2025 to April 2027)	3
Contract-To-Sell Financing	TPI II	BDO		Various (October 2025 to October 2027)	9
Contract-To-Sell Financing	TPI III	BDO		Various (October 2025 to December 2027)	9
Contract-To-Sell Financing	CCDC	Chinabank	1,000	Various (October 2025 to September 2027)	39
Contract-To-Sell Financing	CLC	Chinabank		Various (October 2025 to August 2030)	798

Contract-To-Sell Financing	TP I	SBC	500	Various (October 2025 to September 2031)	3
Contract-To-Sell Financing	TP II	SBC		Various (October 2025 to February 2029)	1
Contract-To-Sell Financing	TP III	SBC		Various (October 2025 to January 2032)	4
Contract-To-Sell Financing	PPHI	SBC		Various (October 2025 to May 2035)	369
Contract-To-Sell Financing	PPHI	Top Bank (formerly Country Builders Bank)	300	Various (October 2025 to February 2026)	17
Sub-total			2,800		1,285
Bonds					
Bonds	CPGI	Bonds	3,000	February 2027	3,000
Bonds	CPGI	Bonds	3,000	Various (March 2026 to March 2030)	3,000
Sub-total			6,000		6,000
Grand Total			21,805		17,837

The Company currently avails of two (2) main types of credit facilities namely term loan and Contract-to-Sell Financing.

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 a with and without recourse basis.

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 (SRA) 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 is being constantly studied and reviewed. The Company undertakes to comply with all SEC and PSE mandated corporate governance revisions and memorandums.

For 2024, the Company's submitted to the SEC the certification of compliance on corporate governance and the Annual Corporate Governance Report (ACGR). 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 A: Audited Consolidated Financial Statements as of 31 December 2024, 2023, and 2022 and for the years ended 31 December 2024, 2023, and 2022 and reviewed Interim Condensed Consolidated Financial Statements as of 30 September 2025 and for the nine months ended 30 September 2025 and 2024.

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

0	0	0	0	0	6	0	5	6	6

COMPANY NAME

C	E	N	T	U	R	Y		P	R	O	P	E	R	T	I	E	S		G	R	O	U	P		I	N	C	.	
A	N	D		S	U	B	S	I	D	I	A	R	I	E	S														

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

3	5	/	F		C	E	N	T	U	R	Y		D	I	A	M	O	N	D		T	O	W	E	R	,		C	E
N	T	U	R	Y		C	I	T	Y	,		K	A	L	A	Y	A	A	N		A	V	E	.		C	O	R	.
S	A	L	A	M	A	N	C	A		S	T	.	,		P	O	B	L	A	C	I	O	N	,		M	A	K	A
T	I		C	I	T	Y																							

Form Type

A	A	F	S

Department requiring the report

S	E	C

Secondary License Type, If Applicable

N	/	A

COMPANY INFORMATION

Company's Email Address

cpgi@century-properties.com

Company's Telephone Number

(02)7793-5542

Mobile Number

N/A

No. of Stockholders

495

Annual Meeting (Month / Day)

6/28

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Isabelita C. Sales

Email Address

cpgi@century-properties.com

Telephone Number/s

N/A

Mobile Number

09955734010

CONTACT PERSON'S ADDRESS

35/F Century Diamond Tower, Century City, Kalayaan Avenue, cor. Salamanca St.,
Poblacion Makati City

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

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





STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Creating New Generation Real Estate

The management of **Century Properties Group Inc. and Subsidiaries** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein for the years ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

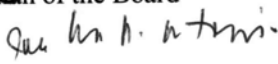
The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.


JOSE EDUARDO B. ANTONIO

Chairman of the Board


JOSE MARCO R. ANTONIO

President and CEO


PONCIANO S. CARREON JR.

Treasurer and CFO

Signed this 27th day of March 2025

APR 14 2025

SUBSCRIBED AND SWORN to before me this _____ day of _____ 20____ affiants exhibiting to me their competent evidence of identity, as follows:

Name	Competent Evidence of Identity	Expiry Date	Place Issued
Jose Eduardo B. Antonio	OSCA No. 94590	-	-
Jose Marco R. Antonio	Passport no. P2695556B	31-Jul-29	DFA, Manila
Ponciano S. Carreon Jr.	PRC Reg. no. 0092320	26-Jan-28	-

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Book No. 11 :

Series of 2025




HORACE J. BAGO

Appointment No. 14-282

Notary Public for Makati City

Until December 2025

23rd Floor, Century Diamond Tower, Century City,

Kalayaan Avenue corner Salamanca Street,

Barangay Poblacion, Makati City

Roll of Attorneys No. 63670

IBP No. Lifetime Member No. 013489

PTR No. MKT-10467254, 1/2/25, Makati City

MCLE Compliance No. VII-0021291 valid until April 14, 2025

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Century Properties Group Inc.
35/F Century Diamond Tower, Century City
Kalayaan Ave. cor. Salamanca St.
Poblacion, Makati City

Opinion

We have audited the consolidated financial statements of Century Properties Group Inc. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024 are prepared in all material respects, in accordance with the Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including those in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our opinion of the accompanying consolidated financial statements.

Real Estate Revenue Recognition

The Group's revenue recognition process, policies and procedures are significant to our audit because these involve application of significant judgment and estimation in the following areas: (1) assessment of the probability that the Group will be able to collect the consideration from the buyer; 2) determination of the transaction price; and (3) application of the output method as the measure of progress of project completion in determining real estate sales.

In evaluating whether collectability of the amount of consideration is probable, the Group considers the significance of the buyer's initial payments in relation to the total contract price (or buyer's equity). Collectability is also assessed by considering factors such as history with the buyer, and age and pricing of the property. Management regularly evaluates the history of sales cancellations and back-outs, if it would still support the Group's current threshold of buyer's equity before commencing revenue recognition.

Effective January 1, 2024, the Group adopted Philippine Interpretations Committee (PIC) Q&A 2018-12-E on the treatment of land in the measurement of progress. The Group applied the modified retrospective approach in its initial adoption.

In measuring the progress of its performance obligation over time, the Group uses the output method. This method measures progress based on physical proportion of work done on the real estate project which requires technical determination by the Group's specialists (third-party project managers).

The disclosures related to real estate revenue are included in Note 30 to the consolidated financial statements.

Audit Response

For the buyers' equity, we evaluated management's basis of the buyers' equity by comparing this to the historical analysis of sales cancellation from buyers with accumulated payments above the collection threshold. We traced the analysis to supporting documents such as the buyer's collection reports, cancellation notices and official receipts.

For the application of the output method in determining real estate revenue, we obtained an understanding of the Group's processes for determining the percentage of completion (POC) and the exclusion of land, and performed tests of the relevant controls. We inspected the certified POC reports prepared by the third-party project managers and assessed their competence, capabilities and objectivity by reference to their qualifications, experience and reporting responsibilities. For selected projects, we conducted ocular inspections, made relevant inquiries and inspected the supporting details of POC reports showing the completion of the major activities of the project construction.

We performed test computation of the transition adjustments and evaluated the relevant disclosures made on the initial adoption of the above PIC Q&As.



Valuation of Investment Properties at Fair Value

The Group accounts for its investment properties using the fair value model. Investment properties consist of land and buildings (i.e. office space and commercial malls) leased out to tenants and represent 20% of consolidated assets as of December 31, 2024. The determination of the fair value of these investment properties involves significant management judgment and estimation. The valuation also requires the assistance of an external appraiser whose calculations also depend on certain assumptions such as market rent levels, expected vacancy, discount rates and expected maintenance. Thus, we considered the valuation of investment properties as a key audit matter.

The disclosures relating to investment properties are included in Note 11 to the consolidated financial statements.

Audit Response

We evaluated the competence, capabilities and objectivity of the external appraiser by considering their qualifications, experience and reporting responsibilities. We involved our internal specialist in the evaluation of the methodology and assumptions used in the valuation of the investment properties. We assessed the methodology adopted by referencing common valuation models in accordance with the assets' highest and best use, and evaluated key inputs used in the valuation, specifically market rent levels, expected vacancy, discount rates and expected maintenance. We compared the inputs and assumptions used against internal and external evidence such as lease contracts, historical vacancy rates and maintenance costs, and published market data. We also reviewed the disclosures relating to investment properties.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024 but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditor's report.

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

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



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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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



The engagement partner on the audit resulting in this independent auditor's report is
Ma. Emilita L. Villanueva.

SYCIP GORRES VELAYO & CO.

Ma. Emilita L. Villanueva

Ma. Emilita L. Villanueva

Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-159-2024, October 2, 2024, valid until October 1, 2027

PTR No. 10465405, January 2, 2025, Makati City

March 27, 2025



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2024	2023
ASSET		
Current Assets		
Cash and cash equivalents (Note 4)	₱4,175,107,957	₱3,543,351,959
Short-term investments (Note 5)	5,195,169	18,258,017
Receivables - net of noncurrent portion (Note 6)	11,453,579,631	10,646,177,087
Real estate inventories (Note 7)	17,194,279,164	18,832,235,203
Due from related parties (Note 16)	1,357,799,701	1,566,243,753
Advances to suppliers and contractors (Note 8)	1,629,826,746	1,661,845,890
Other current assets (Note 13)	1,961,793,756	1,679,891,616
Total Current Assets	37,777,582,124	37,948,003,525
Noncurrent Assets		
Noncurrent portion of receivables (Note 6)	1,062,900,379	1,268,850,078
Deposits for purchased land (Note 9)	1,171,792,500	1,116,792,505
Investments in and advances to joint ventures and an associate (Note 10)	277,742,963	277,323,170
Investment properties (Note 11)	11,414,768,257	12,421,909,090
Property and equipment (Note 12)	3,157,400,444	1,372,757,159
Deferred tax assets - net (Note 27)	82,710,580	48,357,179
Other noncurrent assets (Note 13)	924,962,702	931,418,353
Total Noncurrent Assets	18,092,277,825	17,437,407,534
TOTAL ASSETS	₱55,869,859,949	₱55,385,411,059
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Note 14)	₱7,759,424,714	₱6,219,565,272
Contract liabilities (Note 15)	5,567,259,578	3,873,075,605
Due to related parties (Note 16)	70,410,781	384,097,093
Short-term debt (Note 17)	962,878,827	791,664,471
Current portion of:		
Long-term debt (Note 17)	1,264,264,639	3,851,897,104
Liabilities from purchased land (Note 18)	2,999,083	49,484,077
Lease liabilities (Note 28)	—	17,374,825
Bonds payable (Note 19)	—	3,000,000,000
Income tax payable	139,891,643	50,581,068
Other current liabilities (Notes 28 and 32)	41,543,840	73,853,300
Total Current Liabilities	15,808,673,105	18,311,592,815
Noncurrent Liabilities		
Noncurrent portions of:		
Long-term debt (Note 17)	8,709,402,078	6,500,336,528
Bonds payable (Note 19)	5,907,403,193	5,877,437,104
Lease liabilities (Note 28)	—	16,834,482
Pension liabilities (Note 26)	300,681,304	290,148,290
Deferred tax liabilities - net (Note 27)	1,713,009,225	2,458,740,459
Other noncurrent liabilities (Notes 28 and 32)	1,250,129,793	1,625,982,952
Total Noncurrent Liabilities	17,880,625,593	16,769,479,815
Total Liabilities	33,689,298,698	35,081,072,630

(Forward)



	December 31	
	2024	2023
Equity (Note 20)		
Common stock - ₱0.53 par value		
Authorized - 15,000,000,000 shares		
Issued - 11,699,723,690 shares	₱6,200,853,553	₱6,200,853,553
Preferred stock - ₱0.53 par value		
Authorized - 3,000,000,000 shares		
Issued – 20,000,000 shares in 2024, and 30,000,000 shares in 2023	10,600,000	15,900,000
Additional paid-in capital	4,491,448,948	5,524,776,889
Treasury shares - 100,123,000 common shares in 2024 and 100,123,000 common shares and 30,000,000 preferred shares in 2023	(109,674,749)	(3,109,674,749)
Retained earnings	11,486,900,701	11,594,253,030
Remeasurement gain (loss) on defined benefit plan	20,384,170	(4,107,070)
Other components of equity	25,868,234	28,156,382
Total Equity Attributable to Equity Holders of the Parent Company	22,126,380,857	20,250,158,035
Non-controlling Interest (Note 20)	54,180,394	54,180,394
Total Equity	22,180,561,251	20,304,338,429
TOTAL LIABILITIES AND EQUITY	₱55,869,859,949	₱55,385,411,059

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2024	2023	2022
REVENUES			
Real estate sales (Note 30)	₱12,759,496,927	₱10,794,577,508	₱9,231,484,879
Leasing revenue (Notes 11 and 28)	1,190,728,314	1,293,121,807	1,362,474,800
Property management fee and other services (Notes 23 and 30)	464,409,632	462,538,455	423,367,957
Hotel services (Notes 23 and 30)	121,887,054	57,429,992	—
Interest income from real estate sales (Note 6)	103,745,358	93,748,890	109,318,599
	14,640,267,285	12,701,416,652	11,126,646,235
COSTS			
Cost of real estate sales (Note 7)	6,783,150,502	6,013,020,827	5,607,263,687
Cost of leasing (Note 11)	436,502,496	438,491,958	440,815,699
Cost of services (Note 23)	346,424,517	320,589,767	268,345,792
	7,566,077,515	6,772,102,552	6,316,425,178
GROSS PROFIT	7,074,189,770	5,929,314,100	4,810,221,057
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES (Note 21)	3,704,234,753	3,350,732,684	2,771,098,396
OTHER INCOME (EXPENSES) – net			
Interest and other income (Note 24)	1,084,761,622	798,179,349	469,275,355
Gain (loss) from change in fair value of investment properties - net (Note 11)	(163,877,380)	26,929,080	28,245,738
Foreign exchange gain (loss)	64,947	(372,438)	1,060,911
Share in net earnings of joint ventures and an associate (Note 10)	419,793	1,956,066	3,917,700
Interest and other financing charges (Note 25)	(1,451,575,051)	(1,208,437,780)	(917,889,517)
	(530,206,069)	(381,745,723)	(415,389,813)
INCOME BEFORE INCOME TAX	2,839,748,948	2,196,835,693	1,623,732,848
PROVISION FOR INCOME TAX (Note 27)	397,217,628	342,192,333	218,973,769
NET INCOME	2,442,531,320	1,854,643,360	1,404,759,079
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>			
Remeasurement gain (loss) on defined benefit plan - net of deferred tax (Note 26)	24,491,240	(21,547,893)	64,468,759
Net change in fair value of equity instruments at fair value through OCI	(2,288,148)	—	—
TOTAL COMPREHENSIVE INCOME	₱2,464,734,412	₱1,833,095,467	₱1,469,227,838
Net income attributable to:			
Equity holders of the Parent Company (Note 20)	₱2,442,531,320	₱1,321,395,610	₱901,290,468
Non-controlling interest (Note 20)	—	533,247,750	503,468,611
	₱2,442,531,320	₱1,854,643,360	₱1,404,759,079
Total comprehensive income attributable to:			
Equity holders of the Parent Company (Note 20)	₱2,464,734,412	₱1,299,847,717	₱961,236,032
Non-controlling interest (Note 20)	—	533,247,750	507,991,806
	₱2,464,734,412	₱1,833,095,467	₱1,469,227,838
Basic/diluted earnings per share (Note 20)	₱0.20	₱0.11	₱0.06

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

	Total Equity Attributable to Equity Holders of the Parent Company (Note 20)									
	Common Stock	Preferred Stock	Additional Paid-in Capital	Treasury Shares	Retained Earnings	Remeasurement Gain (Loss) on Defined Benefit Plan	Other Components of Equity	Total	Non-controlling Interest	Total
At January 1, 2024	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱3,109,674,749)	₱11,594,253,030	(₱4,107,070)	₱28,156,382	₱20,250,158,035	₱54,180,394	₱20,304,338,429
<i>Adoption of the following standards:</i>										
PIC Q&A 2018-12, PFRS 15 Implementation										
Issues Affecting the Real Estate Industry	–	–	–	–	(862,969,412)	–	–	(862,969,412)	–	(862,969,412)
IFRIC Agenda Decision on Over Time Transfer										
of Constructed Goods										
(PAS 23, <i>Borrowing Cost</i>)	–	–	–	–	(1,110,105,397)	–	–	(1,110,105,397)	–	(1,110,105,397)
At January 1, 2024, as restated	6,200,853,553	15,900,000	5,524,776,889	(3,109,674,749)	9,621,178,221	(4,107,070)	28,156,382	18,277,083,226	54,180,394	18,331,263,620
Net income	–	–	–	–	2,442,531,320	–	–	2,442,531,320	–	2,442,531,320
Other comprehensive income (loss) (Note 26)	–	–	–	–	–	24,491,240	(2,288,148)	22,203,092	–	22,203,092
Total comprehensive income	–	–	–	–	2,442,531,320	24,491,240	(2,288,148)	2,464,734,412	–	2,464,734,412
Cash dividends (Note 20)	–	–	–	–	(576,808,840)	–	–	(576,808,840)	–	(576,808,840)
Retirement of Treasury Shares (Note 20)	–	(15,900,000)	(2,984,100,000)	3,000,000,000	–	–	–	–	–	–
Issuance of Preferred Shares (Note 20)	–	10,600,000	1,950,772,059	–	–	–	–	1,961,372,059	–	1,961,372,059
At December 31, 2024	₱6,200,853,553	₱10,600,000	₱4,491,448,948	(₱109,674,749)	₱11,486,900,701	₱20,384,170	₱25,868,234	₱22,126,380,857	₱54,180,394	₱22,180,561,251
At January 1, 2023	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	₱10,514,098,828	₱17,440,823	(₱683,197,961)	₱21,480,197,383	₱2,312,344,491	₱23,792,541,874
Net income	–	–	–	–	1,321,395,610	–	–	1,321,395,610	533,247,750	1,854,643,360
Other comprehensive loss (Note 26)	–	–	–	–	–	(21,547,893)	–	(21,547,893)	–	(21,547,893)
Total comprehensive income	–	–	–	–	1,321,395,610	(21,547,893)	–	1,299,847,717	533,247,750	1,833,095,467
Cash dividends (Note 20)	–	–	–	–	(241,241,408)	–	–	(241,241,408)	(500,000,000)	(741,241,408)
Redemption of preferred shares (Note 20)	–	–	–	(3,000,000,000)	–	–	–	(3,000,000,000)	–	(3,000,000,000)
Acquisitions of										
non-controlling interest (Note 20)	–	–	–	–	–	–	711,354,343	711,354,343	(2,291,411,847)	(1,580,057,504)
At December 31, 2023	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱3,109,674,749)	₱11,594,253,030	(₱4,107,070)	₱28,156,382	₱20,250,158,035	₱54,180,394	₱20,304,338,429
At January 1, 2022	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	₱9,814,339,360	(₱42,504,741)	(₱683,197,961)	₱20,720,492,351	₱1,630,172,290	₱22,350,664,641
Net income	–	–	–	–	901,290,468	–	–	901,290,468	503,468,611	1,404,759,079
Other comprehensive income (Note 26)	–	–	–	–	–	59,945,564	–	59,945,564	4,523,195	64,468,759
Total comprehensive income	–	–	–	–	901,290,468	59,945,564	–	961,236,032	507,991,806	1,469,227,838
Cash dividends (Note 20)	–	–	–	–	(201,531,000)	–	–	(201,531,000)	(200,000,000)	(401,531,000)
Additional investment by non-controlling										
interest (Note 20)	–	–	–	–	–	–	–	–	374,180,395	374,180,395
At December 31, 2022	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	₱10,514,098,828	₱17,440,823	(₱683,197,961)	₱21,480,197,383	₱2,312,344,491	₱23,792,541,874

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱2,839,748,948	₱2,196,835,693	₱1,623,732,848
Adjustments for:			
Interest and other financing charges (Note 25)	1,451,575,051	1,208,437,779	917,889,517
Depreciation and amortization (Notes 12, 13 and 21)	158,775,236	81,875,890	55,993,463
Retirement expense (Note 26)	43,635,129	43,196,004	47,016,562
Interest income (Notes 4, 5, 6 and 24)	(275,978,553)	(250,456,764)	(162,524,367)
Loss (gain) from change in fair value of investment Properties - net (Note 11)	163,877,380	(26,929,080)	(28,245,738)
Share in net earnings of joint ventures and associate (Note 10)	(419,793)	(1,956,066)	(3,917,700)
Write off of advances to related parties (Note 16)	—	12,834,223	—
Impairment on investment in a joint venture (Note 10)	—	—	3,055,000
Loss on sale of investment properties (Notes 11 and 24)	—	—	815,953
Operating income before working capital changes	4,381,213,398	3,263,837,679	2,453,815,538
Decrease (increase) in:			
Receivables	(2,686,091,797)	(1,866,950,437)	(183,879,579)
Real estate inventories	213,685,257	498,649,201	127,271,816
Advances to suppliers and contractors	32,019,144	88,126,485	676,771,233
Other assets	(224,257,389)	169,739,552	305,892,453
Increase (decrease) in:			
Accounts and other payables	1,539,859,441	1,195,247,612	(256,407,382)
Contract liabilities	1,694,183,973	1,103,977,454	(279,512,691)
Liability from purchased land	(46,484,994)	(81,498,456)	(77,362,753)
Other liabilities	(406,218,186)	(153,928,097)	(80,380,904)
Net cash generated by operations	4,497,908,847	4,217,200,993	2,686,207,731
Interest received (Note 24)	150,980,505	145,365,612	53,205,768
Interest paid	(1,382,391,596)	(1,314,005,861)	(1,018,045,757)
Income taxes paid	(458,945,343)	(451,563,122)	(288,055,516)
Retirement benefits paid (Note 26)	—	(10,007,461)	(15,025,874)
Net cash provided by operating activities	2,807,552,413	2,586,990,161	1,418,286,352
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from:			
Maturity of short-term investments	13,062,848	18,528,548	995,727,425
Sale of investment properties (Note 11)	—	—	31,056,047
Payments for:			
Additions to investment properties (Note 11)	—	—	(13,448,339)
Additions to property and equipment (Notes 12 and 34)	(178,568,840)	(83,519,822)	(160,225,133)
Deposits for purchased land (Note 9)	(54,999,995)	(5,000,000)	(80,830,196)
Intangible assets (Note 13)	(11,424,498)	(12,687,025)	—
Advances received from (made to) related parties	208,444,052	(606,712,520)	(442,835,692)
Net cash provided by (used in) investing activities	(23,486,433)	(689,390,819)	329,444,112

(Forward)



	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Short-term and long-term debt (Note 17)	₱5,416,070,252	₱3,613,097,763	₱6,776,350,442
Issuance of preferred shares (Note 20)	2,000,000,000	—	—
Issuance of bonds payable (Note 19)	—	3,000,000,000	3,000,000,000
Additional investment from non-controlling interest (Note 20)	—	—	320,000,000
Increase (decrease) in liabilities to preferred shareholders of a subsidiary	17,363,823	7,733,977	(30,248,038)
Advances received from (made to) related parties (Note 16)	(313,686,312)	26,036,467	40,701,892
Payments for:			
Short-term and long-term debt (Note 17)	(5,603,474,357)	(3,709,775,849)	(7,868,987,759)
Bonds payable (Note 19)	(3,000,000,000)	—	(3,000,000,000)
Cash dividends (Note 20)	(576,808,840)	(291,624,158)	(201,531,000)
Deferred financing cost (Notes 17 and 19)	(57,221,386)	(109,255,420)	(116,804,807)
Preferred share issuance cost	(18,649,236)	—	—
Lease liabilities (Note 28)	(15,903,926)	(21,287,745)	(29,407,773)
Dividends paid to non-controlling interest (Note 20)	—	(500,000,000)	(200,000,000)
Acquisition of non-controlling interest (Note 20)	—	(1,500,050,000)	—
Redemption of preferred shares (Note 20)	—	(3,000,000,000)	—
Net cash used in financing activities	(2,152,309,982)	(2,485,124,965)	(1,309,927,043)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	631,755,998	(587,525,623)	437,803,421
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR (Note 4)	3,543,351,959	4,130,877,582	3,693,074,161
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	₱4,175,107,957	₱3,543,351,959	₱4,130,877,582

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Century Properties Group Inc. (the Parent Company or CPGI), a publicly listed company, was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on May 6, 1975. The Parent Company is a 69.14%-owned subsidiary of Century Properties Inc. (the Ultimate Parent or CPI) and the rest by the public. CPGI and its subsidiaries (collectively referred to hereinafter as the Group) is primarily engaged in the development and construction of residential and commercial real estate projects, leasing, hotel and property management.

The registered office address of the Parent Company is 35/F Century Diamond Tower, Century City, Kalayaan Ave. cor Salamanca St., Poblacion, Makati City.

Approval of the Consolidated Financial Statements

The consolidated financial statements as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 were approved and authorized for issue by the Board of Directors (BOD) on March 27, 2025.

2. Material Accounting Policies

Basis of Preparation

The consolidated financial statements have been prepared using the historical cost basis except for investment properties that have been measured at fair value. The consolidated financial statements are presented in Philippine Peso (₱), which is the functional currency of the Parent Company and its subsidiaries. All amounts are rounded off to the nearest ₱, except when otherwise indicated.

Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as of December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024. The voting rights held by the Parent Company in these subsidiaries are in proportion of their ownership interest.



Presented below is the percentage of ownership of the Parent Company in its subsidiaries as of December 31, 2024, 2023 and 2022.

	Percentage of Ownership		
	2024	2023	2022
Century Limitless Corporation (CLC)	100	100	100
Century Acqua Lifestyle Corporation (CALC)	100	100	100
Tanza Properties I, Inc. (TPI I)	100	100	60
Tanza Properties II, Inc. (TPI II)	100	100	60
Tanza Properties III, Inc. (TPI III)	100	100	60
Katipunan Prime Development Corporation (KPDC)	100	100	100
Century PHirst Corporation (CPC)*	—	100	100
Century Properties Management, Inc. (CPMI)	100	100	100
Siglo Suites, Inc. (SSI)	100	100	100
Century Communities Corporation (CCC)	100	100	100
Century City Development Corporation (CCDC)	100	100	100
Century City Development Corporation II (CCDC II)	100	100	100
Centuria Medical Development Corporation (CMDC)	100	100	100
Milano Development Corporation (MDC)	100	100	100
Century Destination Lifestyle Corporation (CDLC)**	100	100	100
PHirst Park Homes, Inc. (PPHI)	100	100	60
CPC*	100	—	—
Century Nuliv Development Corporation (CNDC)***	100	100	100
<i>*formerly PHirst Park Homes Development Corporation (PPHDC); on August 16, 2024, CLC transferred its ownership interest over CPC to PPHI.</i>			
<i>**formerly Century Properties Hotel and Leisure Inc. (CPHLI)</i>			
<i>***formerly Century Prima Corporation (CPC).</i>			

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using uniform accounting policies for like transactions and other events in similar circumstances. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full in the consolidated financial statements.

Non-controlling interests (NCI) pertain to the equity in a subsidiary not attributable, directly or indirectly to the Parent Company. Any equity instruments, including preferred shares, issued by a subsidiary that are not owned by the Parent Company, are non-controlling interests. The portion of profit or loss and net assets in subsidiaries not wholly owned by the Parent Company are presented separately in the consolidated statement of comprehensive income and within the equity section of the consolidated statement of financial position and consolidated statement of changes in equity, separately from the Parent Company's equity.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the NCI, even if this results in the NCI having a deficit balance.

Changes in the controlling ownership interest, i.e., acquisition of non-controlling interest or partial disposal of interest over a subsidiary that do not result in a loss of control, are accounted for as equity transactions.



CLC's transfer of CPC to PPHI

On August 16, 2024, CLC transferred its ownership interest over CPC to PPHI for a total consideration of ₱924.0 million. The consideration transferred approximates the carrying amount of the net assets of CPC at the time of transfer. The transaction has been accounted as a transaction involving entities under common control.

Acquisition of Additional Interest - PPHI

On May 31, 2023, the Board of Directors (BOD) of CPGI approved the acquisition of 1,060,000,000 common shares with a par value of ₱1.00 per common share from Mitsubishi Corporation (MC), representing the latter's 40% ownership interest in PPHI, and 265,000 Preferred B shares with a par value of ₱1,000 per share owned by MC in PPHI. The Philippine Competition Commission (PCC) has approved the acquisition transaction on August 9, 2023 and the transaction was made effective on October 30, 2023 in accordance with the terms of the acquisition at a transaction price of ₱1.09 per common share and ₱1,085.28 per preferred share (see Note 20).

Acquisition of Additional Interests TPI, TPPII, and TPPIII

On May 31, 2023, the Board of Directors of the Century Limitless Corporation (CLC) also approved the acquisition of the 40% shareholdings of MC in the following subsidiaries:

- a. 409,780 common shares with par value of ₱100.00 per share and 175,620 preferred shares with par value of ₱100.00 per share in TPI.
- b. 140,000 common shares with par value of ₱100.00 per share of MC in TPPII.
- c. 120,000 common shares with par value of ₱100.00 per share of MC in TPPIII.

The PCC has approved the above transaction on August 9, 2023 and the transaction was made effective on October 30, 2023 in accordance with the terms of the acquisition (see Note 20).

Adoption of New and Amended Accounting Standards and Interpretations

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements as at and for the year ended December 31, 2023, except for the following new standards and amendments effective as at January 1, 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- Amendments to PAS 1, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants*

Amendments made to PAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

- Carrying amount of the liability;
- Information about the covenants; and,
- Facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.



The amendments also clarify what PAS 1 means when it refers to the ‘settlement’ of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instrument can only be ignored for the purpose of classifying the liability as current or noncurrent if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

- Amendments to PAS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines ‘lease payments’ and ‘revised lease payments’ in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right-of-use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

- Adoption of PIC Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04)

On February 14, 2018, the PIC issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 08, 2019, the Philippine Securities and Exchange Commission (SEC) issued SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of the PIC Q&A until December 31, 2023.

Starting January 1, 2024, the Group adopted the remaining provisions of PIC Q&A 2018-12, specifically on the: (i) significant financing component, (ii) exclusion of land in the determination of percentage-of-completion (POC), and (iii) adopted the IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*). The Group opted to adopt the changes using modified retrospective approach effective January 1, 2024 and the impact was recorded in the opening balance of retained earnings. The comparative information is not restated.

The modified retrospective effects of the adoption of the above changes are detailed below.

- i. The Group’s adoption of significant financing component did not result to any adjustment to the Group’s beginning balance of retained earnings and thus, has no effect on the Group’s consolidated statement of financial position as at January 1, 2024
- ii. The Group recognized the impact of implementation of the exclusion of land in the determination of POC discussed in PIC Q&A No. 2018-12-E; and application of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*), as presented in the following page.



Consolidated Statements of Financial Position

As at January 1, 2024			
	As previously stated	Adjustments	As restated
Assets			
Receivables	₱10,513,080,456	(₱1,983,431,087)	₱8,529,649,369
Real estate inventories	18,832,235,203	(701,081,743)	18,131,153,460
Prepaid commission	689,553,895	73,780,797	763,334,692
	₱30,034,869,554	(₱2,610,732,033)	₱27,424,137,521
Liabilities			
Deferred tax liabilities	₱2,458,740,459	(₱637,657,224)	₱1,821,083,235
Equity			
Retained earnings	₱11,594,253,030	(₱1,973,074,809)	₱9,621,178,221

The details of the adjustments are as follows:

Nature of Adjustments Increase (Decrease)				
	Borrowing Cost	Exclusion of Land in POC	Significant Financing Component	Total Adjustment
Assets				
Receivables	₱—	(₱1,983,431,087)	₱—	(₱1,983,431,087)
Real estate inventories	(1,480,140,529)	779,058,786	—	(701,081,743)
Prepaid commission	—	73,780,797	—	73,780,797
	(₱1,480,140,529)	(₱1,130,591,504)	₱—	(₱2,610,732,033)
Liabilities				
Deferred tax liabilities	(₱370,035,132)	(₱267,622,092)	₱—	(₱637,657,224)
Equity				
Retained earnings	(1,110,105,397)	(862,969,412)	—	(1,973,074,809)
	(₱1,480,140,529)	(₱1,130,591,504)	₱—	(₱2,610,732,033)

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Group's financial statements unless otherwise indicated.

Effective beginning on or after January 1, 2025

- Amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Financial Instruments and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments*



Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability: Disclosures*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group is currently assessing the impact of adopting these amendments.

Current versus Noncurrent Classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/noncurrent classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets, including deferred tax assets, are classified as noncurrent.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities, including deferred tax liabilities, as noncurrent.

Financial Instruments

Financial assets

Initial recognition, Classification and Measurement

At initial recognition, financial assets are classified and measured at amortized cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

Except for trade receivables, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. Trade receivables that are measured at the transaction price, i.e., the amount of consideration the Group is entitled to collect from the customers in exchange for services rendered.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.



Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market-place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at FVTPL
- Financial assets at FVOCI, where cumulative gains or losses previously recognized are reclassified to profit or loss
- Financial assets designated at FVOCI, where cumulative gains or losses previously recognized are not reclassified to profit or loss

The Group does not have financial assets at FVTPL and FVOCI.

Financial assets at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortized cost are initially recognized at fair value plus directly attributable transaction costs and subsequently measured using the effective interest (EIR) method, less any impairment in value. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

As of December 31, 2024 and 2023, the Group's financial assets at amortized cost include "Cash and cash equivalents", "Short-term investments", "Receivables" (excluding other receivables), rental deposits under "Other current assets" and "Due from related parties"

Financial liabilities

Initial recognition, Classification and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Directly attributable transaction costs are documentary stamp tax, underwriting and selling fees, regulatory filing fee and other fees.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:



Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of comprehensive income.

As of December 31, 2024 and 2023, the Group's financial liabilities at amortized cost includes "Accounts and other payables" (excluding customer's advances and statutory liabilities), "Due to related parties", "Short-term debt", "Liability from purchased land", Long-term debt", "Bonds Payable" and "Liabilities to Preferred Shareholders" under noncurrent liabilities.

Financial liabilities at FVTPL

The Group has no financial liabilities as at FVTPL.

Compound Financial Instruments

A compound financial instrument is a non-derivative financial instrument that, from the Group's perspective, contains both a liability and an equity component. On initial recognition of a compound financial instrument, the Group identifies the various components of the instrument and determine the fair value of the liability component. The Group then determines the equity component as a residual amount, essentially the issue proceeds of the instrument less the fair value liability component determined.

Impairment of Financial Assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are also recognized and interest revenue is calculated by applying the credit-adjusted EIR to the amortized cost of the financial asset.

The Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix for management fee and leasing receivables and vintage analyses for Installment Contract Receivables (ICRs) that are based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.



For all debt financial assets other than ICRs, leasing and management fee receivables, ECLs are recognized using the general approach wherein the Group tracks changes in credit risk and recognizes a loss allowance based on either a 12-month or lifetime ECLs at each reporting date.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis.

Exposures that have not deteriorated significantly since origination, or where the deterioration remains within the Group's investment grade criteria are considered to have a low credit risk. The provision for credit losses for these financial assets is based on a 12-month ECL. The low credit risk exemption has been applied on debt investments that meet the investment grade criteria of the Group from the time of origination.

The Group considers that there has been a significant increase in credit risk when contractual payments are more than 90 days past due.

For "Due from related parties", the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

Derecognition of Financial Assets and Liabilities

Financial assets

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

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.



Financial liabilities

A financial liability is derecognized when the obligation under the financial liability is discharged or cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing financial liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new financial liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income.

Write-off

The Group writes off a financial asset, in whole or in part, when the asset is considered uncollectible, it has exhausted all practical recovery efforts and has concluded that it has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

Real Estate Inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realizable value (NRV).

Cost includes:

- Land acquisition costs and expenses directly related to acquisition
- Land improvement cost
- Amounts paid to contractors for construction and development
- Planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

NRV is the estimated selling price in the ordinary course of business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs of sale.

Real estate inventories include land held for future development. The Group has plans, as approved by the BOD, to construct and develop these parcels of land as a residential property for sale in the ordinary course of business. The physical construction activities have not commenced as of December 31, 2024 and 2023.

Deposits for Land

The Group normally makes deposits before a CTS or Deed of Absolute Sale (DOAS) is executed between the Group and the landowner. These are recognized and carried at cost less impairment losses, if any.



Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

Borrowing costs consist of interest measure using the EIR method and other costs that an entity incurs in connection with the borrowing of funds.

Where borrowings are associated with specific development of qualifying assets, the amount capitalized is the gross interest incurred on those borrowings less any investment income arising on their temporary investment. Interest is capitalized from the commencement of the development work until the date of practical completion. The capitalization of finance costs is suspended if there are prolonged periods when development activity is interrupted.

For real estate inventories, interest is capitalized on the purchase cost of a site of property acquired specifically for sale but only to the extent where activities necessary to prepare the asset for selling are in progress prior pre-selling activities.

Investments in and Advances to Joint Ventures and Associate

An investment is accounted for using the equity method from the day it becomes a joint venture or associate. On acquisition of investment, the excess of the cost of investment over the investor's share in the net fair value of the investee's identifiable assets, liabilities and contingent liabilities is accounted for as goodwill and included in the carrying amount of the investment and not amortized.

Any excess of the investor's share of the net fair value of the investee's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment, and is instead included as income in the determination of the share in the earnings of the investees.

Under the equity method, the investments in the investee companies are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share in the net assets of the investee companies, less any impairment in values. The consolidated statement of comprehensive income reflects the share of the results of the operations of the investee companies, if there's any. The Group's share of post-acquisition movements in the investee's equity reserves is recognized directly in equity. Profits and losses resulting from transactions between the Group and the investee companies are eliminated to the extent of the interest in the investee companies and for unrealized losses to the extent that there is no evidence of impairment of the asset transferred. Dividends received are treated as a reduction of the carrying value of the investment.

Investment Properties

Investment properties comprise of properties that are held to earn rentals or capital appreciation or both and that are not occupied by the entities in the Group.

Investment properties are measured initially at cost including certain transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise. The fair values of investment properties are determined based on annual valuation performed by accredited external independent real estate valuation experts based on the "income approach" using discounted cash flow analysis for its income generating buildings which are based on the buildings discounted future cash flows.



Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner's occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner's occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

For a transfer from investment property to inventories, the change in use is evidenced by commencement of development with a view to sale. When the Group decides to dispose of an investment property without development, it continues to treat the property as an investment property until it is derecognized and does not treat it as inventory. Similarly, if an entity begins to redevelop an existing investment property for continued future use as investment property, the property remains an investment property and is not reclassified as owner-occupied property during the redevelopment. For a transfer from investment property carried at fair value to inventories, the property's deemed cost for subsequent accounting shall be its fair value at the date of change in use.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and amortization and any impairment in value. The cost of an item of property and equipment includes its purchase price and any cost attributable in bringing the asset to the intended location and working condition.

Expenditures incurred after the fixed assets have been put into operation, such as repairs and maintenance, are normally charged to expenses in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation of property and equipment commences once the property and equipment are put into operational use and is computed on a straight-line basis over the estimated useful lives (EUL) of the property and equipment as follows:

	Years
Office equipment	3 - 5
Computer equipment	3 - 5
Furniture and fixtures	3 - 5
Transportation equipment	5
Leasehold improvements	5 or lease term, whichever is shorter
Construction equipment	5
Building	40
Right-of-use assets	2 - 3



The useful lives and depreciation method are reviewed at financial year end to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment. When property and equipment are retired or otherwise disposed of, the cost and the related accumulated depreciation and accumulated provision for impairment losses, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Construction in progress, included in property and equipment, is stated at cost. Depreciation is computed when the relevant asset is completed and becomes available for use in operations, at which time, the asset is reclassified to its property and equipment category.

Fully depreciated property and equipment are retained in the accounts until they are no longer in use and no further depreciation and amortization is charged against current operations.

The Group classifies its right-of-use assets as part of property and equipment.

Impairment of Nonfinancial Assets

The Group assesses as at reporting date whether there is an indication that its nonfinancial assets (e.g., property and equipment, deposit for purchased land and investments and advances in joint ventures and associate) may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. Impairment losses are recognized in the expense categories of profit or loss consistent with the function of the impaired asset.

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



For investments in associates and joint ventures, after application of the equity method, the Group determines whether it is necessary to recognize any additional impairment loss with respect to the Group's net investment in the investee companies. The Group determines at each reporting date whether there is any objective evidence that the investment in associates or joint ventures is impaired. If this is the case, the Group calculates the amount of impairment as being the difference between the recoverable amount and the carrying value of the investee company and recognizes the difference in the consolidated statement of comprehensive income.

Combinations of Entities Under Common Control

Business combinations of entities under common control are accounted for using the pooling of interests' method. The pooling of interests method generally involve the following:

- The assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts. No adjustments are made to reflect fair values, or recognize any new assets or liabilities, at the date of the combination. The only adjustments that are made are those adjustments to harmonize accounting policies.
- No new goodwill is recognized as a result of the combination. The only goodwill that is recognized is any existing goodwill relating to either of the combining entities. Any difference between the consideration paid or transferred and the equity acquired is reflected within equity.
- The consolidated statement of income reflects the results of the combining entities for the full year, irrespective of when the combination took place.
- Comparative financial information is presented as if the entities had always been combined.

The effects of any intercompany transactions are eliminated to the extent possible.

Leases

Group as a lessee

Except for short-term leases and leases of low-value assets, the Group applies a single recognition and measurement approach for all leases. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of office spaces (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Group as a lessor

Leases where the Group does not transfer substantially all the risk and benefits of the ownership of the asset are classified as operating leases. Otherwise, they are classified as finance leases. Rental income from operating leases is recognized as income on a straight-line basis over the lease term.



Liabilities on Preferred Shares Subscription

Liabilities on preferred shares subscription represent cash received by CALC, a subsidiary, that are convertible to a fixed number of CALC's stocks in the future. CALC's preferred shares are considered as compound financial instruments which contain both liability and equity components. Since the preferred shares are non-redeemable and entitles the holder to a pro-rata share of assets upon liquidation, including twenty-eight (28) free nights to stay at the hotel, this financial instrument is classified as an equity instrument. However, the preferred shares establish a contractual right to a dividend [i.e., the net room rental revenue (NRRR)], thus, it contains a financial liability with respect to the share in the NRRR. The equity component of the instrument is presented as part of the "Non-controlling interest" in the consolidated statement of financial position.

Equity

Common stock, Preferred stock and Additional paid-in capital

The Group records common stock and preferred stock at par value and additional paid-in capital in excess of the total contributions received over the aggregate par value of the equity share. Incremental costs incurred directly attributable to the issuance of new shares are shown in equity as a deduction from proceeds, net of tax.

Retained earnings

Retained earnings represent accumulated earnings of the Group less dividends declared, if any and transition adjustments from policy changes.

Treasury shares

Treasury shares are Parent Company's own equity instruments (whether common or preferred) which are reacquired and are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Parent Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital. Voting rights related to treasury shares are nullified, in case of common shares, for the Parent Company and no dividends are allocated to them respectively. When the shares are retired, the common or preferred capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

Non-controlling interest

Non-controlling interest are recognized and measured at the proportionate share of the non-controlling interest to the net assets of the Group. When non-controlling interest is subsequently acquired, the difference between the acquisition price and the carrying value of the interest as at acquisition date is recognized as equity reserve under "Other components of equity" account in the consolidated statement of financial position.

Revenue and Cost Recognition under PFRS 15

Revenue from Contract with Customers

The Group primarily derives its real estate revenue from the sale of vertical and horizontal real estate projects. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water and electricity in its leasing units, wherein it is acting as agent.

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.



Real estate sales

The Group derives its real estate revenue from sale of lots, house and lot and condominium units. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion) since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Starting January 1, 2024, in determining the transaction price, the Company considers whether the selling price of the real estate property includes significant financing component.

In measuring the progress of its performance obligation over time, the Group uses the output method. The Group recognizes revenue on the basis of direct measurements of the value to customers of the goods or services transferred to date, relative to the remaining goods or services promised under the contract. Progress is measured based on the physical proportion of the real estate project's completion. This is based on the monthly project accomplishment report prepared by the third-party project engineers which integrates the surveys of performance to date of the construction activities for both sub-contracted and those that are fulfilled by the developer itself.

Any excess of progress of work over the right to an amount of consideration that is unconditional, is recognized as contract assets and is included as part of "Installment contracts receivables" (ICR).

Any excess of collections over the total of recognized installment contracts receivables is included in the "contract liabilities" account in the liabilities section of the consolidated statement of financial position.

Property management fee, hotel and other services

Property management fee and other services consist of revenue arising from management contracts, auction services and technical services while hotel revenue consist of revenue arising from the rental of rooms, food and beverage sales, and other service revenue.

Revenue from property management other services is recognized over time using output method when the services are rendered. For hotel revenues, rooms revenue recognition criterion is met at the time of occupancy. Other related revenues are recognized when the food and beverage, goods or services have been transferred or rendered to the guest. The transaction prices for rooms, food and beverage, and other goods and services are the net amounts collected from customers for such goods and services that are recorded as revenue when the goods are provided or services are performed.

Cost of real estate sales

The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets such as land and connection fees. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses. These costs are allocated between the sold units being recognized as cost of sales and the unsold units being recognized as part of real estate inventories.

Contract costs include all direct materials and labor costs and those indirect costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed total contract revenue. Changes in contract performance, contract conditions and estimated profitability, including those arising from contract penalty provisions, and final contract settlements which may result in revisions to estimated costs and gross margins are recognized in the year in which the changes are determined.



In case of sales cancellation, the difference between the fair value of the repossessed property less cost to repossess and the outstanding receivable and related accounts at the time of cancellation is recognized in profit or loss.

Leasing Revenue

The Group leases its commercial real estate properties to others through operating leases. Rental income on leased properties is recognized on a straight-line basis over the lease term, or based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract. Contingent rents are recognized as revenue in the period in which they are earned.

Common usage service area (CUSA) charges and air conditioning dues (included as part of 'Rental and related services')

CUSA charges are recognized when the related services are rendered. The Group has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water, and electricity in its office leasing activities, wherein it is acting as agent. Income from common area and air conditioning dues is computed based on a fixed rate per square meter of the leasable area occupied by the tenant and are presented gross of related cost and expenses.

Other dues

For the electricity and water usage, the Group determined that it is acting as an agent because the promise of the Group to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility and service companies, and not the Group, are primarily responsible for the provisioning of the utilities while the Group administers the leased spaces and coordinates with the utility and service companies to ensure that tenants have access to these utilities.

Income from Forfeited Collections

Income from forfeited collections recorded under "Interest and other income" is recognized at a point in time when the deposits from potential buyers are deemed nonrefundable due to prescription of the period for entering into a contracted sale. Such income is also recognized, subject to the provisions of Republic Act 6552, *Realty Installment Buyer Act*, upon prescription of the period for the payment of required amortizations from defaulting buyers.

Interest Income

Interest income is recognized as it accrues, taking into account the effective yield on the asset.

Other Income

Other income consists of customer-related fees such as penalties and surcharges are recognized as they accrue, taking into account the provisions of the related contract.

Cost of Leasing

Cost of leasing pertains to direct costs of leasing the Group's commercial properties. These costs are expensed as incurred.

Cost of Services

Cost of services pertains to direct costs of property management, hotel and other services. These costs are expensed as incurred.

General and Administrative Expenses

General and administrative expenses constitute costs of administering the business and are expensed as incurred.



Contract Balances

Installment contract receivables (ICRs)

ICRs consist of contracts receivables and contract assets arising from sale of real estate. Contract assets represent the right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group transfers goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. The contract assets are presented within the “Installment contract receivables” together with contracts receivables as allowed by PIC Q&A 2018-12D on the presentation of contract asset.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract. The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced.

Costs to Obtain Contract

The incremental costs of obtaining a contract with a customer are recognized as an asset if the Group expects to recover them. The Group has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are recorded as “Prepaid commissions” in the consolidated statement of financial position. These are charged to expense in the period in which the related revenue is recognized as earned. Commission expense is included in the “General, administrative and selling expenses” account in the consolidated statement of comprehensive income.

Costs incurred prior to obtaining contract with customer are not capitalized but are expensed as incurred.

Contract fulfillment assets

Contract fulfillment assets are divided into: (i) costs that give rise to an asset; and (ii) costs that are expensed as incurred. When determining the appropriate accounting treatment for such costs, the Group firstly considers any other applicable standards. If those standards preclude capitalization of a particular cost, then an asset is not recognized under PFRS 15.

If other standards are not applicable to contract fulfillment costs, the Group applies the following criteria which, if met, result in capitalization: (i) the costs directly relate to a contract or to a specifically identifiable anticipated contract; (ii) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (iii) the costs are expected to be recovered. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recoverable.

The Group’s contract fulfillment assets pertain to land acquisition costs.



Amortization, de-recognition and impairment of contract fulfillment assets and capitalized costs to obtain a contract

The Group amortizes capitalized costs to obtain a contract to cost of sales over the expected construction period using percentage of completion following the pattern of real estate revenue recognition. The amortization of contract fulfillment assets and cost to obtain a contract is included within “Cost of real estate sales” and “General, administrative and selling expenses”, respectively.

A contract fulfillment asset or capitalized cost to obtain a contract is derecognized either when it is disposed of or when no further economic benefits are expected to flow from its use or disposal.

At each reporting date, the Group determines whether there is an indication that the contract fulfillment asset or cost to obtain a contract maybe impaired. If such indication exists, the Group makes an estimate by comparing the carrying amount of the assets to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Group uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price is removed for the impairment test.

Where the relevant costs or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgement is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific performance indicators that could trigger variable consideration, or service credits

Where a contract is anticipated to make a loss, the judgements are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Pension Cost

Pension cost is actuarially determined using the projected unit credit method. This method reflects services rendered by employees up to the date of valuation and incorporates assumptions concerning employees’ projected salaries. Actuarial valuations are conducted with sufficient regularity, with an option to accelerate when significant changes to underlying assumptions occur.

Pension cost includes current service cost, interest cost, past service cost and gains and losses, and curtailment and non-routine settlement.

The liability recognized by the Group in respect of the funded defined benefit pension plan is the present value of the defined benefit obligation at the reporting date. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using risk-free interest rates of government bonds that have terms to maturity approximating the terms of the related pension liabilities or applying a single weighted average discount rate that reflects the estimated timing and amount of benefit payments.

Remeasurements, comprising of actuarial gains or losses, the effect of the asset ceiling, excluding net interest cost and the return on plan assets (excluding net interest), are recognized immediately in the consolidated statement of financial position with a corresponding debit or credit to other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.



Income Taxes

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as of the reporting date.

Deferred tax

Deferred tax is provided using the balance sheet liability method on all temporary differences, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, including asset revaluations. Deferred tax assets are recognized for all deductible temporary differences, carry forward benefit of unused tax credits from the excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT), and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences and the carry forward of unused tax credits from MCIT and unused NOLCO can be utilized. Deferred tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income.

Deferred tax liabilities are not provided on non-taxable temporary differences associated with investments in domestic subsidiaries and associate.

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

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

Value-added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable and is included as part of the "Accounts and other payables" account in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset and is included as part of the "Other current assets" and "Other noncurrent assets" accounts in the consolidated statement of financial position to the extent of the recoverable amount.

Foreign Currency Transactions

Transactions denominated in foreign currencies are initially recorded using the exchange rates prevailing at transaction dates. Foreign currency-denominated monetary assets and liabilities are retranslated using the closing exchange rates at reporting date. Exchange gains or losses arising from foreign currency transactions are credited to or charged against current operations.



Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on the Group's business segments is presented in Note 31 to the consolidated financial statements.

Earnings Per Share

Basic earnings per share (EPS) is computed by dividing net income attributable to common stockholders by the weighted average number of common shares issued and outstanding during the year and adjusted to give retroactive effect to any stock dividends declared during the period. The net income attributable to common stockholders of the Parent Company is net of dividends attributable to preferred stockholders.

Diluted EPS is computed by dividing net income attributable to common equity holders by the weighted average number of common shares issued and outstanding during the year plus the weighted average number of common shares that would be issued on conversion of all the dilutive potential common shares. The calculation of diluted EPS does not assume conversion, exercise or other issue of potential common shares that would have an antidilutive effect on earnings per share.

As of December 31, 2024, 2023 and 2022, the Group has no potentially dilutive common shares.

Events After the Reporting Date

Post year-end events up to the date of auditor's report that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the consolidated financial statements when material.

3. Significant Accounting Judgments and Estimates

The preparation of the consolidated financial statements in compliance with PFRS Accounting Standards requires the Group to make judgments and estimates that affect the amounts reported in the consolidated financial statements and accompanying notes. The judgments, estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the consolidated financial statements. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

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

Material partly-owned subsidiaries

The consolidated financial statements include additional information about subsidiaries that have NCI that are material to the Group (see Note 20). Management determined material partly-owned subsidiaries as those with carrying value of NCI greater than 5% of total NCI as at end of the year.



In 2023, the Group acquired the respective NCIs in CLC, PPHI and TPI (see Note 2).

Existence of a contract

The Group's primary document for a contract with a customer is a signed CTS. It has determined, however, that in cases wherein CTS are not signed by both parties, the combination of its other signed documentation such as reservation agreement, official receipts, buyers' computation sheets and invoices, would contain all the criteria to qualify as contract with the customer under PFRS 15.

Revenue recognition method and measure of progress

The Group concluded that revenue for real estate sales is to be recognized over time because: (a) the Group's performance does not create an asset with an alternative use; and (b) the Group has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Group's ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date. In addition, the Group requires a certain percentage of buyer's payments of total selling price (buyer's equity), to be collected as one of the criteria in order to initiate revenue recognition. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Group. The Group considers that the initial and continuing investments by the buyer of about 5% would demonstrate the buyer's commitment to pay.

The Group has determined that output method used in measuring the progress of the performance obligation faithfully depicts the Group's performance in transferring control of real estate development to the customers.

Incorporation of forward-looking information

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL.

To do this, the Group has considered a range of relevant forward-looking macro-economic assumptions for the determination of unbiased general industry adjustments and any related specific industry adjustments that support the calculation of ECLs. Based on its evaluation and assessment and after taking into consideration external actual and forecast information, the Group considers a representative range of possible forecast scenarios. This process involves gathering two or more economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies, monetary authorities and selected private-sector and academic institutions.

The Group has identified and documented key drivers of credit risk and credit losses of each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

Predictive relationship between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past 5 years. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.



The Group has not identified any uncertain event that it has assessed to be relevant to the risk of default occurring but where it is not able to estimate the impact on ECL due to lack of reasonable and supportable information.

Operating lease commitments - the Group as a lessor

Management has determined that the Group retains all significant risks and rewards of underlying assets and thus, accounts for the contracts as operating leases. The ownership of the underlying assets is not transferred to the lessee by the end of the lease term. Leasing revenue amounted to ₱1,190.73 million, ₱1,293.12 million and ₱1,362.47 million in 2024, 2023, and 2022, respectively (see Note 28).

Distinction of property between real estate inventories, property and equipment and investment properties

The Group determines whether a property will be classified as real estate inventories, property and equipment or investment properties. In making this judgment, the Group considers whether the property will be sold in the normal operating cycle (real estate inventories) and even if the real estate inventories are leased out, the classification remains on the condition that the intent to sell remains. The Group also considers whether the property is held for administrative purposes and classifies the property under property and equipment. All other properties that are not yet determined to be sold in the normal operating cycle nor held for administrative purposes are classified as investment properties.

In 2024, the Group, as approved by BOD, decided to remove certain commercial units, storage area, and parking lots in its project development, Spire, from its inventory pool amounting to ₱723.19 million and to utilize these for the exclusive use of the Group. Accordingly, the Group reclassified such amount from “real estate inventories” to “property and equipment” (see Notes 7 and 12).

Also in 2024, the Group occupied a portion of its leasable office space in Century Diamond Tower with a carrying amount of value ₱1,048.22 million. Accordingly, this portion of the investment property was reclassified to property and equipment (see Notes 11 and 12).

In 2023, the Group, as approved by the BOD, decided to remove 158 units it owns in Novotel Suites Manila at Acqua 6 with a total cost of ₱1,152.68 million from the hotel pool and to sell these as regular residential units. Accordingly, the Group reclassified such amount from “property and equipment” to “real estate inventories” (see Notes 7 and 12).

Management’s Use of Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue recognition on real estate projects

The Group’s revenue recognition require management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Group’s revenue from real estate and construction contracts is recognized based on percentage of completion (POC) are measured principally on the basis of the estimated completion of a physical proportion of the contract work. Apart from involving significant estimates in determining the quantity of imports such as materials, labor and equipment needed, the assessment process for the POC is complex and requires technical determination by management’s specialists (third-party project engineers).



Collectability of the sales price

In determining whether the sales price is collectible, the Group considers that the initial and continuing investments by the buyer of 5% would demonstrate the buyer's commitment to pay. Based on the historical trend of cancellations of customer contracts, the management believes that 5% continues to be reasonable. The revenue arising from these sales contracts amounted to ₱12,759.50 million, ₱10,794.58 million and ₱9,231.48 million in 2024, 2023 and 2022, respectively (see Note 30).

Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognized in profit or loss except for investment properties under construction. The Group determined that the fair value of its investment properties under construction cannot yet be reliably measurable, as such these investment properties are measured at cost. Once the construction is complete or the fair value is reliably measurable, whichever comes first, the Group will measure the investment property at fair value.

For its investment properties that are complete and whose fair values are reliably measurable, the Group annually engages independent valuation specialists to determine its fair value. The appraisers used income approach using discounted cash flow method for its properties which are based on future cash flows available for such properties. Loss from change in fair value of investment properties amounted to ₱163.88 million in 2024 and Gain from change in fair value of investment properties amounted to ₱26.93 million and ₱28.24 million in 2023 and 2022, respectively. The carrying value of the investment properties amounted to ₱11,480.13 million and ₱12,421.91 million as of December 31, 2024 and 2023, respectively (see Note 11).

Evaluation of impairment of financial assets

The Group uses a provision matrix for management fee and leasing receivables and vintage analyses for ICRs that are based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For all debt financial assets other than ICRs, leasing and management fee receivables, ECLs are recognized using the general approach wherein the Group tracks changes in credit risk and recognizes a loss allowance based on either a 12-month or lifetime ECLs at each reporting date.

The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information such as inflation and GDP growth rates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The vintage analysis accounts for expected losses by calculating the cumulative loss rates of a given loan pool. It derives the probability of default from the historical data of a homogenous portfolio that share the same origination period. The information on the number of defaults during fixed time intervals of the accounts is utilized to create the PD model. It allows the evaluation of the loan activity from its origination period until the end of the contract period.

The Group defines a financial instrument as "in default" when a customer is more than 90 days past due on its contractual obligations. However, in certain cases, the Group may also consider a financial asset to be "in default" when internal or external information indicates that the Group is unlikely to



receive the outstanding contractual amounts in full. An instrument is considered to be no longer in default (i.e., to have cured) when it no longer meets any of the default criteria.

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

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

As of December 31, 2024, and 2023, the allowance for impairment losses on financial assets of the Group amounted to ₱63.49 million and ₱34.85 million, respectively (see Note 6). As of December 31, 2024, and 2023, the carrying values of these assets are as follows:

	2024	2023
Cash and cash equivalents (Note 4)	₱4,175,107,957	₱3,543,351,959
Short-term investments (Note 5)	5,195,169	18,258,017
Receivables* (Note 6)	12,164,422,430	11,549,897,682
Due from related parties (Note 16)	1,357,799,701	1,566,243,753
Rental deposits (Note 13)	90,036,776	94,247,911

*Excluding other receivables that are non-financial in nature amounting to ₱352.06 million and ₱365.13 million as of December 31, 2024 and 2023, respectively.

Estimating NRV of real estate inventories

The Group reviews the NRV of real estate inventories and compares it with the cost since assets should not be carried in excess of amounts expected to be realized from sale. Real estate inventories are written down below cost when the estimated NRV is found to be lower than the cost.

NRV for completed real estate inventories is assessed with reference to market conditions and prices existing at the reporting date and is determined by the Group having taken suitable external advice and in light of recent market transactions. NRV in respect of inventory under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction less an estimate of the time value of money to the date of completion. The estimates used took into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period.

The carrying values of real estate inventories amounted to ₱17,194.28 million and ₱18,832.24 million as of December 31, 2024 and 2023, respectively (see Note 7).

Evaluation of nonfinancial assets

The Group assesses impairment on its nonfinancial assets and considers the following important indicators:

- Significant changes in asset usage;
- Significant decline in assets' market value;
- Obsolescence or physical damage of an asset;
- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of usage of the acquired assets or the strategy for the Group's overall business; and
- Significant negative industry or economic trends.



If such indications are present and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the asset's fair value less cost to sell or value in use whichever is higher.

The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to be generated from the continued use of the asset. The Group is required to make estimates and assumptions that can materially affect the carrying amount of the asset being assessed.

The Group did not identify impairment indicators on the following nonfinancial assets with the following carrying values:

	2024	2023
Property and equipment	₱3,157,400,444	₱1,372,757,159
Advances to suppliers and contractors	1,629,826,746	1,661,845,890
Deposits for purchased land	1,171,792,500	1,116,792,505
Investments in joint venture and associate	277,745,748	277,323,170
Other assets and receivable from employees*	3,148,774,473	2,882,191,541
*excluding rental deposits amounting to ₱90.03 million and 94.25 million as of December 31, 2024 and 2023, respectively.		

Recognition of deferred tax assets

The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces the amounts to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. Significant judgment is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and level of future taxable income together with future planning strategies. The Group assessed its projected performance in determining the sufficiency of the future taxable income. As of December 31, 2024, and 2023, the Group has unrecognized deferred tax assets amounting to ₱849.38 million and ₱639.10 million, respectively (see Note 27).

4. Cash and Cash Equivalents

This account consists of:

	2024	2023
Cash on hand and in banks	₱3,470,404,453	₱2,187,042,638
Cash equivalents	704,703,504	1,356,309,321
	₱4,175,107,957	₱3,543,351,959

Cash in banks earns interest at the prevailing bank deposit rates.

Cash equivalents are short-term, highly liquid investments that are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest at the prevailing short-term rates ranging from 3.20% to 5.50%% and 1.60% to 2.40% in 2024 and 2023, respectively. Interest income on cash and cash equivalents amounted to ₱150.81 million, ₱141.12 million and ₱52.64 million in 2024, 2023 and 2022, respectively (see Note 24).

Cash and cash equivalents amounting to ₱110.00 million and ₱215.56 million are set aside to service certain obligations of the Group as of December 31, 2024 and 2023, respectively.



5. Short-term Investments

As of December 31, 2024 and 2023, short-term investments amounted to ₱5.20 million and ₱18.26 million, respectively. Short-term investments include money market placements exceeding 3 months but less than one year. Short-term investments earn at prevailing short-term interest rates ranging from 3.00% to 6.50% in 2024 and 2.30% to 3.38% in 2023. Interest income earned on short-term investments amounted to ₱0.17 million, ₱4.24 million and ₱0.56 million in 2024, 2023 and 2022, respectively (see Note 24).

6. Receivables

This account consists of:

	2024	2023
Trade receivables:		
ICR (Note 2)	₱11,401,069,154	₱10,513,080,456
Management fees	261,918,483	191,548,312
Leasing receivable	194,633,767	433,567,822
Receivable from employees and agents	352,057,580	365,129,483
Advances to customers	122,766,331	130,572,262
Advances to condominium corporations	71,145,842	113,681,294
Other receivables	176,380,481	202,299,203
	12,579,971,638	11,949,878,832
Allowance for estimated credit losses for management fees and other receivables	(63,491,628)	(34,851,667)
	12,516,480,010	11,915,027,165
Noncurrent portion of ICR	(1,062,900,379)	(1,268,850,078)
	₱11,453,579,631	₱10,646,177,087

ICR consist of contract receivables and contract assets arising from the sale of real estate properties. These are collectible in monthly installments over a period of one (1) to five (5) years, bear no interest and with lump sum collection upon project turnover. Titles to real estate properties are not transferred to the buyer until full payment has been made. In 2024, the Group recognized additional ICRs in relation to the launch of its new projects.

Details of ICRs are as follows:

	2024	2023
Gross ICR	₱13,950,460,079	₱13,025,131,114
Unamortized discount arising from noninterest- bearing ICR	(212,954,807)	(154,892,669)
	13,737,505,272	12,870,238,445
Percentage of completion adjustment	(2,336,436,118)	(2,357,157,989)
Carrying value of ICR	11,401,069,154	10,513,080,456
Non-current portion of ICR	(1,062,900,379)	(1,268,850,078)
Current portion of ICR	₱10,338,168,775	₱9,244,230,378



These ICRs were recorded initially at fair value which is derived using the discounted cash flow model with discount rates ranging from 5.11% to 7.12% and 4.05% to 7.22% in 2024 and 2023, respectively.

Movements in the unamortized discount on ICRs follow:

	2024	2023
Balance at beginning of year	₱154,892,669	₱240,441,327
Additions	161,807,496	8,200,232
Accretion for the year	(103,745,358)	(93,748,890)
Balance at end of year	₱212,954,807	₱154,892,669

Interest income from accretion of unamortized discount on ICRs amounted to ₱103.75 million, ₱93.75 million and ₱109.32 million in 2024, 2023 and 2022, respectively, and is presented as “Interest income from real estate sales” in the consolidated statement of comprehensive income.

Management fees are revenues arising from property management contracts. These are collectible on a 15- to 30-day basis depending on the terms of the management service agreement.

Leasing receivables represent the outstanding receivables arising from the lease of commercial centers relating to the Group’s mall and offices and are collectible within 30 days from billing date. These are covered by security deposit of tenants’ equivalent to two to four-month rental and two to four-month advance rent paid by the lessees. This includes both the fixed and contingent portion of lease.

Receivable from employees and agents pertains to cash advances for retitling costs and other operational and corporate-related expenses. These are realized within twelve months and bears no interest. It also includes salary and other loans granted to the employees and are recoverable through salary deductions. These are noninterest-bearing and are due and demandable.

Advances to customers pertain to expenses paid by the Group on behalf of the customers for the taxes and other costs incurred in securing the title in the name of the customers. These receivables are billed separately to the respective buyers and are expected to be collected within one (1) year.

Advances to condominium corporations pertain to expenses paid by the Group on behalf of the condominium corporations for various expenses incurred for the projects already turned over. These receivables are due and demandable and bear no interest.

Others, mainly consist of receivables for repairs and installation cost charge to tenants and reimbursement of regulatory payments. In 2024 and 2023, “Others” included receivable from sales of investment property in 2022 amounting to ₱44.07 million and ₱52.23 million, respectively.

The movements in the allowance for expected credit losses for receivables are shown below:

	2024	2023
Balance at beginning of year	₱34,851,667	₱9,704,105
Provision, net of reversals (Note 21)	28,639,961	25,147,562
Balance at end of year	₱63,491,628	₱34,851,667



The allowance for expected credit losses pertain to management fees and other receivables.

Receivable financing

The Group entered into various agreements with a local bank whereby the Group assigned its ICRs with recourse at average interest rates ranging from 6.00% to 8.00% and 5.88% to 8.50% in 2024 and 2023, respectively. The assignment agreements provide that the Group will substitute defaulted CTS with other CTS of equivalent value.

The Group retains the assigned receivables in the consolidated financial statements since the Group retains the risks and rewards related to these receivables. The Group records the proceeds from these assignments as long-term debt. The gross amount of ICRs used as collateral amounted to ₱336.34 million and ₱921.96 million as of December 31, 2024 and 2023, respectively (see Note 17).

7. Real Estate Inventories

This account consists of:

	2024	2023
Condominium units	₱8,516,188,425	₱11,449,852,612
Residential house and lots	7,835,763,962	6,352,878,859
Land held for future developments	842,326,777	1,029,503,732
	₱17,194,279,164	₱18,832,235,203

The roll-forward of this account follows:

	2024	2023
Balance at beginning of year	₱18,832,235,203	₱17,723,397,564
Impact of the adoption of (Note 2):		
<i>IFRIC Agenda Decision on Borrowing Costs</i>	(1,480,140,529)	—
<i>Treatment of land in determining POC</i>	779,058,786	—
Balance at beginning of year, as restated	18,131,153,460	17,723,397,564
Construction costs incurred	4,374,056,350	4,103,984,361
Purchase of land	2,195,408,895	1,708,076,167
Borrowing costs capitalized (Note 17)	—	157,112,951
Transfers to/from property and equipment (Note 12)	(723,189,039)	1,152,684,987
Cost of real estate sales	(6,783,150,502)	(6,013,020,827)
Balance at end of year	₱17,194,279,164	₱18,832,235,203



General and specific borrowings were used to finance the Group's ongoing real estate projects. Until 2023, the related borrowing costs were capitalized as part of real estate inventories. The capitalization rate used in 2023 is 1.40% for general borrowing costs. Starting January 1, 2024, the Group adopted the IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*) (see Note 2).

Real estate inventories recognized as "Cost of real estate sales" amounted to ₱6,783.15 million, ₱6,013.02 million and ₱5,607.26 million in 2024, 2023 and 2022, respectively.

In 2024, the Group purchased additional land in Batangas, Laguna and Pampanga which will be developed into a residential house and lot to be held for sale with amount totaling to ₱2,195.41 million. In 2023, the Group purchased land in Batangas, Bacolod and Nueva Ecija which will be developed into a residential house and lot to be held for sale with amount totaling to ₱1,708.07 million. The related deposit on land amounting to ₱297.69 million were applied as the payment for the purchase of land (see Note 9).

The carrying values of real estate inventories mortgaged for trust receipts payables and bank loans amounted to ₱2,173.41 million and ₱2,296.48 million as of December 31, 2024 and 2023, respectively (see Note 17).

8. Advances to Suppliers and Contractors

Advances to suppliers and contractors amounting to ₱1,629.83 million and ₱1,661.85 million as of December 31, 2024 and 2023, respectively, are capitalized as part of real estate inventories when the materials have been delivered or services have been rendered by the suppliers and contractors, respectively. These advances are intended for the construction of the Group's real estate inventories.

9. Deposits for Purchased Land

This account consists of refundable deposits made to property owners for the acquisition of parcels of land in which the use is currently undetermined. Deposits for purchased land amounted to ₱1,171.79 million and ₱1,116.79 million as of December 31, 2024 and 2023, respectively.

In 2024 and 2023, the Group made additional deposits to property owners for the acquisitions of parcels of land located in Pampanga and Novaliches amounting to ₱55.00 million and ₱5.00 million, respectively.

As disclosed in Note 7, in 2023 the Group purchased various parcels of land. As a result, the Group applied the related deposit for purchased land amounting to ₱297.69 million as part of the payment for the purchased land.



10. Investments in and Advances to Joint Ventures and Associate

The Group's investments in joint ventures and associate are shown below:

	2024	2023
Joint ventures:		
One Pacstar Realty Corporation (One Pacstar)	₱227,665,151	₱227,112,884
Two Pacstar Realty Corporation (Two Pacstar)	42,077,912	42,210,386
Associate:		
Asian Breast Center (ABC)	7,999,900	7,999,900
	₱277,742,963	₱277,323,170
Acquisition cost	₱404,033,094	₱404,033,094
Accumulated equity in net losses		
Balance at beginning of year	(123,654,924)	(125,610,990)
Share in net earnings	419,793	1,956,066
Balance at end of year	(123,235,131)	(123,654,924)
Allowance for impairment loss	(3,055,000)	(3,055,000)
	₱277,742,963	₱277,323,170

Investments in One Pacstar Realty Corporation and Two Pacstar Realty Corporation

On October 22, 2014, CLC entered into an agreement with La Costa Development Corporation, Inc. (La Costa) to take out the loan of La Costa with Union Bank of the Philippines in its name and for its sole account. For and in consideration of the loan take out, La Costa transferred, ceded, and conveyed 196,250 shares of One Pacstar and 42,250 shares of Two Pacstar.

Provisions in the agreement grant CLC to vote using the owned shares in the meetings of the stockholders of One Pacstar and Two Pacstar. The Group currently owns 50% of the total voting shares with the remaining 50% owned by La Costa for both One Pacstar and Two Pacstar. This resulted in the two companies having joint control over One Pacstar and Two. The primary purpose of One Pacstar and Two Pacstar is to acquire, own, lease, and manage lands and all other kinds of real estate properties.

One Pacstar and Two Pacstar's principal place of business is 5th Floor, Pacific Star Building, High Rise Tower, Gil Puyat cor. Makati Avenue, Makati City.

Following are the significant financial information of the joint ventures as of December 31, 2024 and 2023 and for the years then ended (in millions):

	2024	2023
Total assets	₱862	₱867
Total liabilities	322	304
Total revenue	3	7
Total expenses	2	2

The Group recognized share in net earnings of the joint ventures amounting to ₱0.42 million, ₱1.96 million and ₱3.92 million in 2024, 2023 and 2022, respectively.



In 2022, the BOD of A2 Global approved the commencement of its liquidation, consequently the Group has written off its investments amounting to ₱3.06 million.

Investment in Asian Breast Center, Inc. (ABC)

On January 7, 2016, the Group acquired 79,999 shares in ABC with an acquisition price of ₱8.00 million, for a 16.00% ownership. ABC has five (5) directors, one from the Group and four from ABC. Because the Group only has significant influence, this arrangement is considered as an investment in associate and is measured using the equity method.

The primary purpose of ABC is to provide comprehensive ambulatory care for women afflicted with any form of breast disease, including prevention, early detection, early diagnosis, and treatment. ABC's principal place of business is 8th Floor, Centuria Medical Makati, Kalayaan Avenue, Makati City.

The Group has not incurred any contingent liabilities as at December 31, 2024 and 2023 in relation to its interest in the joint ventures and associate, nor do the joint ventures and associate themselves have any contingent liabilities for which the Group is contingently liable. The Group has not entered into any capital commitments in relation to its interest in the joint ventures and associate and did not receive any dividends from the joint ventures and associate.

11. Investment Properties

The Group's investment properties consist of commercial properties currently being leased out. Commercial properties include office buildings and retail mall located in key cities and municipalities in the Philippines.

Movements in this account are as follows:

	2024	2023
Cost:		
Balance at beginning of year	₱8,343,741,289	₱8,343,741,289
Transfer to property and equipment (Note 12)	(514,707,187)	—
Balance at end of year	7,829,034,102	8,343,741,289
Change in Fair Value		
Balance at beginning of year	4,078,167,801	4,051,238,721
Transfer to property and equipment (Note 12)	(533,509,489)	—
Net change in fair value of investment properties for the year	41,075,843	26,929,080
	3,585,734,155	4,078,167,801
	₱11,414,768,257	₱12,421,909,090

Net loss from change in fair value of investment properties recognized in the consolidated statement of comprehensive income amounting to ₱163.88 million represents the net change in fair value of investment properties as presented in the rollforward, adjusted for the effects of lease pre-terminations, lease incentives and rent levelization.

In 2024, 2023 and 2022, the Group recognized leasing revenue from the use of the said real properties amounting to ₱1,190.73 million, ₱1,293.12 million and ₱1,362.47 million, respectively, and incurred direct cost of leasing amounting to ₱436.50 million, ₱438.49 million and ₱440.82 million, respectively, in relation to these investment properties.



The carrying values of investment properties mortgaged for trust receipts payables and bank loans amounted to ₱7,402.41 million and ₱8,444.03 million as of December 31, 2024 and 2023, respectively (see Note 17).

In 2024, the Group's subsidiaries occupied certain portions of its leasable office space in Century Diamond Tower with a carrying amount of ₱1,048.22 million. Accordingly, this portion of the investment property was reclassified to property and equipment. (see Note 12).

In 2022, the Group sold portion of its medical office at a loss amounting to ₱0.82 million (see Note 24). The Group has no restrictions on the realizability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancement, other than those already reflected or disclosed in the consolidated financial statements.

The Group recorded loss on fair value of investment properties amounting to ₱163.88 million in 2024, and gain on fair value of investment properties ₱26.93 million and ₱28.25 million in 2023 and 2022, respectively.

Investment properties are stated at fair value, which has been determined based on valuations performed by a SEC-accredited independent valuer as of December 31, 2024 and 2023.

For the Group's leasing properties, the Group adopted the discounted cash flow analysis which considers the future cash flows from lease contracts. The fair value of the investment properties classified as buildings and land in the consolidated financial statements is categorized within Level 3 of the fair value hierarchy.

The key assumptions used to determine the fair value of the investment properties and sensitivity analyses are as follows:

Property	Valuation technique	Significant unobservable inputs	Range	
			2024	2023
Land and Buildings	DCF	Discount rates for similar lease contracts, market rent levels, expected vacancy and expected maintenance.	Discount rate – 9.30% to 11.20%	Discount rate – 10.30% to 11.80%
			Market rent levels - ₱300 to ₱1,600/sqm per month	Market rent levels - ₱400 to ₱1,500/sqm per month
			Expected vacancy - 10% to 50%	Expected vacancy - 5% to 30%
			Expected maintenance - 1% to 5% of gross revenue	Expected maintenance - 1% to 5% of gross revenue

For DCF, significant increases (decreases) in estimated market rent levels and rent growth per annum in isolation would result in a significantly higher (lower) fair value of the investment properties. Significant increases (decreases) in the expected vacancy rate and discount rate in isolation would result in a significantly lower (higher) fair value.



12. Property and Equipment

The composition and movements of this account are as follows:

	2024						
	Office Furniture and Equipment	Transportation Equipment	Leasehold Improvements	Construction Equipment	Building	Right-of-use Assets	Total
Cost							
At January 1	₱236,354,739	₱58,849,757	₱128,688,665	₱300,374,734	₱1,199,724,568	₱115,630,325	₱2,039,622,788
Additions	34,844,083	4,673,441	5,365,830	133,685,486	—	—	178,568,840
Disposal	—	—	—	—	—	(115,630,325)	(115,630,325)
Transfer from real estate inventories (Note 7)	—	—	—	—	723,189,039	—	723,189,039
Transfer from investment properties (Note 11)	—	—	—	—	1,048,216,676	—	1,048,216,676
At December 31	271,198,822	63,523,198	134,054,495	434,060,220	2,971,130,283	—	3,873,967,018
Accumulated Depreciation and Amortization							
At January 1	178,288,078	53,843,921	86,531,872	255,157,273	18,845,605	74,198,880	666,865,629
Depreciation/amortization	23,306,771	1,366,499	9,760,911	18,372,068	71,093,576	23,126,065	147,025,890
Disposal	—	—	—	—	—	(97,324,945)	(97,324,945)
At December 31	201,594,849	55,210,420	96,292,783	273,529,341	89,939,181	—	716,566,574
Net Book Values at December 31	₱69,603,973	₱8,312,778	₱37,761,712	₱160,530,879	₱2,881,191,102	₱—	₱3,157,400,444

	2023						
	Office Furniture and Equipment	Transportation Equipment	Leasehold Improvements	Construction Equipment	Building	Right-of-use Assets	Total
Cost							
At January 1	₱211,975,833	₱65,753,463	₱118,430,057	₱251,492,426	₱2,352,409,555	₱87,865,463	₱3,087,926,797
Additions	24,378,906	—	10,258,608	48,882,308	—	27,764,862	111,284,684
Disposal	—	(6,903,706)	—	—	—	—	(6,903,706)
Transfer to real estate inventories (Note 7)	—	—	—	—	(1,152,684,987)	—	(1,152,684,987)
At December 31	236,354,739	58,849,757	128,688,665	300,374,734	1,199,724,568	115,630,325	2,039,622,788
Accumulated Depreciation and Amortization							
At January 1	155,422,310	59,074,001	78,606,246	251,492,426	—	59,016,349	603,611,332
Depreciation/amortization	22,865,768	1,673,626	7,925,626	3,664,847	18,845,605	15,182,531	70,158,003
Disposal	—	(6,903,706)	—	—	—	—	(6,903,706)
At December 31	178,288,078	53,843,921	86,531,872	255,157,273	18,845,605	74,198,880	666,865,629
Net Book Values at December 31	₱58,066,661	₱5,005,836	₱42,156,793	₱45,217,461	₱1,180,878,963	₱41,431,445	₱1,372,757,159



Property and equipment include Building that pertains to the following:

- 4 floors of office spaces occupied by the Group in Century Diamond Tower amounting to ₱1,048.22 million as of December 31, 2024.
- In 2024, the Group, as approved by the BOD, decided to remove certain commercial units, storage spaces, and parking lots in its project development, Spire, from its inventory pool amounting to ₱723.19 million and to utilize these for the exclusive use of the Group.
- 152 CALC-owned units in Novotel Suites Manila at Acqua 6 Tower of Acqua Private Residences amounting to ₱648.05 million and ₱642.90 million as of December 31, 2024 and 2023, respectively.
- 158 CLC-owned units in Novotel Suites Manila at Acqua 6 Tower of Acqua Private Residences amounting to ₱1,152.68 million as of December 31, 2022.

In 2023, the Group, as approved by the BOD, decided to reclassify its 158 units in Novotel Suites Manila at Acqua 6 with a total carrying amount of ₱1,152.68 million from the hotel pool to residential units for sale.

- The Pebble (a four-storey waterfront clubhouse) of Acqua Private Residences amounting to ₱534.55 million and ₱545.68 million as of December 31, 2024 and 2023, respectively.

As of December 31, 2024 and 2023, there are no restrictions on the items of property and equipment of the Group and none of these are pledged as security for the Group's obligations.

The depreciation and amortization of property and equipment in 2024, 2023 and 2022 are recognized as follows:

	2024	2023	2022
General, administrative, and selling expenses (see Note 21)	₱147,025,890	₱70,158,003	₱48,566,158

There is no interest expense or borrowing cost capitalized for Property and Equipment in 2024, 2023 and 2022.

13. Other Assets

This account consists of:

	2024	2023
Current:		
Prepaid commissions	₱644,973,221	₱689,553,895
Creditable withholding taxes	611,799,087	333,995,593
Input taxes	553,844,829	480,309,960
Rental deposits (Note 28)	90,036,776	—
Prepaid expenses	36,261,119	122,770,169
Deferred financing cost	—	19,978,705
Others	24,878,724	33,283,294
	₱1,961,793,756	₱1,679,891,616



	2024	2023
Noncurrent:		
Creditable withholding taxes	₱419,142,788	₱330,156,449
Advances to landowners	259,024,174	259,024,174
Input taxes	92,736,208	93,892,220
Prepaid commissions	73,597,060	80,921,110
Intangible assets	42,986,323	43,311,171
Rental deposits (Note 28)	—	94,247,911
Others	37,476,149	29,865,318
	₱924,962,702	₱931,418,353

Prepaid commissions pertain to capitalized commission expenses payable to its agents on the sale of its real estate projects related to contracts that have qualified for revenue recognition. These will be recognized as commission expense under “General, administrative and selling expenses” in the period in which the related real estate sales are recognized.

Input taxes are fully realizable and will be applied against output VAT.

Creditable withholding taxes are attributable to taxes withheld by third parties arising from real estate sale, property management fees and leasing revenues.

Advances to landowners pertains to the refundable downpayments made by the Group in accordance with its terms of agreement with individual landowners to acquire 56 hectares of property to developed a beach style lifestyle destination in Palawan, Philippines. The total advances paid for the property amounted to ₱250.08 million as of December 31, 2024 and 2023.

Rental deposits mostly pertain to security deposits held and applied in relation to the Group’s lease contracts for its administrative and sales offices. The deposits are noninterest-bearing and are recoverable through application of rentals at the end of the lease term (see Note 28).

Intangible assets include software costs and trademarks. Software cost includes application software and intellectual property licenses owned by the Group. The related amortization of software costs is charged to expense as “Depreciation and amortization” in the “General, administrative and selling expenses” account amounting to ₱11.75 million, ₱11.72 million and ₱7.42 million in 2024, 2023 and 2022, respectively (see Note 21). Additions to software amounted to ₱11.42 million and ₱12.69 million in 2024 and 2023, respectively.

Trademarks are licenses acquired separately by the Group. These licenses arising from the Group’s marketing activities have been granted for a minimum of 10 years by the relevant government agency with the option to renew at the end of the period at little or no cost to the Group. Previous licenses acquired have been renewed and enabled the Group to determine that these assets have an indefinite useful life.



14. Accounts and Other Payables

This account consists of:

	2024	2023
Accounts payable	₱3,628,060,071	₱2,602,712,570
Accrued expenses		
Commissions	430,760,677	383,675,714
Taxes	268,149,130	114,340,108
Salaries	101,928,510	293,062,052
Interest	21,147,520	24,301,440
Others	16,644,656	10,322,971
Customers' advances	2,796,448,483	2,367,510,254
Retention payable	470,841,676	399,446,373
Other payables	25,443,991	24,193,790
	₱7,759,424,714	₱6,219,565,272

Accounts payable are attributable to the construction costs incurred by the Group. These are noninterest-bearing and with terms of 15 to 90 days.

Customers' advances pertain to funding from buyers of real estate for future application against transfer and registration fees and other taxes to be incurred upon transfer of properties to the buyer. The movement of customers' advances is mainly due to advance payment of buyers less fees incurred for the turned over properties.

Retention payable is noninterest-bearing and is normally settled on a 30-day term upon completion of the relevant contracts.

Others under "Accrued expenses" consist mainly of utilities, marketing costs, professional fees, communication, transportation and travel, security, insurance, taxes and representation.

15. Contract Liabilities

Contract liabilities consist of collections from real estate customers which have not qualified for revenue recognition and excess of collections over the recognized receivables based on percentage of completion. The movement in contract liability is mainly due to reservation sales and advance payment of buyers less real estate sales recognized upon reaching the equity threshold and from increase in percentage of completion. The amount of revenue recognized in 2024 and 2023 from amounts included in contract liabilities at the beginning of the year amounted to ₱1,825.53 million and ₱1,535.08 million, respectively. As of December 31, 2024 and 2023, carrying values of contract liabilities amounted to ₱5,567.26 million and ₱3,873.08 million, respectively.

16. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.



Terms and Conditions of Transactions with Related Parties

The Group in their regular conduct of business has entered 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 at normal market prices. Outstanding balances at year-end are unsecured and noninterest-bearing. There have been no guarantees provided or received for any related party receivables or payables. Related party transactions are settled in cash.

The Group has material related party transactions policies containing the approval requirements and limits on amounts and extent of related party transactions in compliance with the requirements under the Revised SRC Rule 68 and SEC Memorandum Circular 10, series of 2019.

The Group has an approval requirement such that material related party transactions shall be reviewed by the Related Party Transactions Committee (the Committee) and endorsed to the BOD for approval. Material related party transactions are those transactions that meet the threshold value as approved by the Committee amounting to ₱50.0 million and other requirements as may be recommended by the Committee.

The related party transactions are shown under the following accounts in the consolidated financial statements:

Due from Related Parties

	Outstanding balances		Amount of transactions		Terms and Conditions
	2024	2023	2024	2023	
Ultimate Parent	₱657,642,904	₱866,610,929	(₱208,968,026)	₱596,173,016	
Officers and stockholders	221,969,612	230,977,152	(9,007,540)	7,800,000	
Under common control					Noninterest bearing, due and demandable, unsecured, no impairment
Century Integrated Sales, Inc. (CISI)	450,659,309	450,659,309	—	—	
Century Group International Corp. (CGIC)	—	77,093	(77,093)	507	
Century Retail IT, Inc. (CRIT)	507	507	—	(10,314)	
Entity managed by a related party					
Century Asia Corp. (CAC)	27,527,369	17,918,763	9,608,607	(13,041,653)	
	₱1,357,799,701	₱1,566,243,753	(₱208,444,052)	₱590,921,556	

Due to Related Parties

	Outstanding balance		Amount of transactions		Terms and Conditions
	2024	2023	2024	2023	
Ultimate Parent	₱—	₱243,861,878	(₱243,861,878)	₱6,577,128	Noninterest bearing, due and demandable, unsecured
Century Group International Corp. (CGIC)	422,287	456,360	(34,073)	—	
Officers and stockholders	69,988,494	139,778,855	(69,790,361)	19,459,339	
	₱70,410,781	₱384,097,093	(₱313,686,312)	₱26,036,467	



The related party transactions that are eliminated during consolidation follow:

Due from Related Parties

	Outstanding balance		Amount of transactions		Terms and Conditions
	2024	2023	2024	2023	
Parent Company					
CPGI	₱11,440,763,837	₱10,065,843,663	₱1,374,920,174	₱1,001,732,385	Noninterest bearing, due and demandable, unsecured, no impairment
Subsidiaries:					
CLC	639,818,469	919,775,362	(279,956,893)	292,438,657	
PPHI	769,180,006	810,621,487	(41,441,481)	558,843,047	
CCDC	4,766,282,743	5,708,043,800	(941,761,057)	(152,778,333)	
CCC	50,000	50,000	—	50,000	
CPMI	47,633,950	49,347,739	(1,713,789)	20,460,530	
	₱17,663,729,005	₱17,553,682,051	₱110,046,954	₱1,720,746,286	

Due to Related Parties

	Outstanding balance		Amount of transactions		Terms and Conditions
	2024	2023	2024	2023	
Parent Company					
CPGI	₱2,795,093,097	₱286,846,959	₱2,508,246,138	(₱300,325,409)	
Subsidiaries:					
CLC	7,868,663,295	9,280,293,925	(1,411,630,630)	1,967,721,805	Noninterest bearing, due and demandable, unsecured
PPHI	198,003,980	10,126,762	187,877,218	5,015,845	
CCDC	5,239,311,483	6,466,358,204	(1,227,046,721)	25,731,791	
CCC	1,276,985,196	1,232,573,042	44,412,154	21,225,497	
CPMI	31,786,765	23,597,970	8,188,795	1,302,365	
CDLC	253,885,189	253,885,189	—	74,392	
	₱17,663,729,005	₱17,553,682,051	₱110,046,954	₱1,720,746,286	

Significant transactions of the Group with related parties are described below:

Due from related parties pertains to advances provided by the Group to the stockholders and other affiliates.

Due to related parties pertains to advances made by the Group to its affiliates and stockholders for their respective capital expenditures. These are generally noninterest-bearing and are due and demandable.

In 2023, CPMI wrote off its advances to Centuria Pharma Group, Inc. amounting to ₱12.83 million (see Note 21).

Management agreement

In 2018, the Group contracted CISI to manage all of its sales and marketing activities. CISI is a wholly owned subsidiary of CPI. Starting 2023, the management contract was temporarily put on hold by both parties to revisit sales and marketing strategies. There is no change on the status as of December 31, 2024.



Key management compensation

The key management personnel of the Group include all directors, executive, and senior management. The details of compensation and benefits of key management personnel in 2024, 2023 and 2022 follow:

	2024	2023	2022
Short-term employee benefits	₱122,094,326	₱115,183,326	₱108,663,515
Post-employment benefits	6,104,797	5,759,242	5,433,247
	₱128,199,123	₱120,942,568	₱114,096,762

17. Short-term and Long-term Debts

Short-term Debts

The rollforward of the Group's short-term debts follows:

	2024			2023		
	Trust receipts	Bank loans	Total	Trust receipts	Bank loans	Total
Beginning balance	₱25,664,471	₱766,000,000	₱791,664,471	₱235,141,310	₱—	₱235,141,310
Availments	—	1,688,000,000	1,688,000,000	181,828,504	852,000,000	1,033,828,504
Repayments	(25,285,644)	(1,491,500,000)	(1,516,785,644)	(391,305,343)	(86,000,000)	(477,305,343)
Ending balance	₱378,827	₱962,500,000	₱962,878,827	₱25,664,471	₱766,000,000	₱791,664,471

Trust receipts

Trust receipts (TRs) are facilities obtained from various banks to finance purchases of construction materials the Group's projects. The TRs have average interest rates ranging from 6.62% to 8.00% in 2024 and 2023, respectively. These are paid monthly or quarterly in arrears with full payment of principal balance at maturity of one year and with an option to prepay.

Bank loans

Bank loans pertain to the following various short-term promissory note (PN) obtained by the Group:

- On February 28, 2024, the Group availed with ChinaBank a term loan amounting to ₱1,000.00 million with an interest rate of 7.90% per annum. The loan interest is payable quarterly, and the principal was paid on December 18, 2024.
- On June 5, 2023, the Company entered into a Master Trust and Agency Agreement with PNB Trust for the Issuance of Short-Term Master Promissory Note ("MPN"). The proceeds of the Short-Term MPN were utilized for the Company's working capital and/or general corporate purposes.

The Group availed various series of notes from the MPN amounting to ₱553.00 million with interest ranging from 6.43% to 7.15% per annum in 2024 and ₱342.00 million with interest ranging from 6.07% to 7.15% per annum in 2023. These notes have maturity dates of up to 6 months from date of availment.

In 2024 and 2023, the Group made principal repayments for the MPN amounted to ₱289.00 million and ₱86.00 million, respectively. As of December 31, 2024 and 2023, the outstanding balance of the MPN amounted to ₱520.00 million and ₱256.00 million, respectively.



- In 2023, the Group availed of a short-term Promissory Note (“PN”) facility with Philtrust Bank with total amount of ₱465.00 million with an interest rate of 8.00% per annum, which is payable monthly until full payment with option to renew annually. During the first quarter of 2024, the Group availed additional ₱60.00 million from the PN facility with an interest rate of 8.00% per annum, which is payable monthly until full payment with option to renew annually. As of December 31, 2024 and 2023 the outstanding balance of the PNs amounted to ₱415.00 million and ₱465.00 million, respectively.
- In 2023, the Group availed of a short-term PN facility with Chinabank Savings Bank with total amount of ₱30.00 million with an interest rate of 8.38% per annum, which is payable monthly until full payment. During the first quarter of 2024, the Group availed an additional ₱75.00 million from the PN facility with an interest rate of 8.25% per annum, which is payable monthly until full payment. As of December 31, 2024 and 2023 the outstanding balance of the PNs amounted to ₱12.50 million and ₱30.00 million, respectively.
- In 2023, the Group availed of a short-term PN facility with Bank of the Philippine Islands with total amount of ₱15.00 million with an interest rate of 7.75% per annum, interest is payable monthly until full payment or renewal.

Long-term Debt

As of December 31, 2024 and 2023, this account consists of:

	2024	2023
Long-term debt:		
Bank loans	₱9,262,264,630	₱9,045,691,229
Payable under CTS financing	711,402,087	1,306,542,403
	9,973,666,717	10,352,233,632
Less current portion	1,264,264,639	3,851,897,104
Noncurrent portion	₱8,709,402,078	₱6,500,336,528

The roll-forward of the Group’s long-term debt is as follows:

	2024			
	Bank Loans	CTS Financing	Car Loan Financing	Total
Principal:				
Balances at beginning of year	₱9,107,511,996	₱1,306,542,403	₱–	₱10,414,054,399
Addition	3,449,473,685	278,596,567	–	3,728,070,252
Payments	(3,212,951,830)	(873,736,883)	–	(4,086,688,713)
Balances at end of year	9,344,033,851	711,402,087	–	10,055,435,938
Deferred financing costs:				
Balances at beginning of year	61,820,767	–	–	61,820,767
Addition	57,221,386	–	–	57,221,386
Amortization	(37,272,932)	–	–	(37,272,932)
Balances at end of year	81,769,221	–	–	81,769,221
Carrying values	₱9,262,264,630	₱711,402,087	₱–	₱9,973,666,717



2023				
	Bank Loans	CTS Financing	Car Loan Financing	Total
Principal:				
Balances at beginning of year	₱9,073,938,425	₱1,992,662,425	₱654,796	₱11,067,255,646
Addition	1,900,000,000	679,269,259	—	2,579,269,259
Payments	(1,866,426,429)	(1,365,389,281)	(654,796)	(3,232,470,506)
Balances at end of year	9,107,511,996	1,306,542,403	—	10,414,054,399
Deferred financing costs:				
Balances at beginning of year	60,940,103	—	—	60,940,103
Addition	27,140,500	—	—	27,140,500
Amortization	(26,259,836)	—	—	(26,259,836)
Balances at end of year	61,820,767	—	—	61,820,767
Carrying values	₱9,045,691,229	₱1,306,542,403	—	₱10,352,233,632

Bank Loans

Bank loans pertain to the following various long-term debt availed by the Group:

Date of availment	Bank	2024 (in millions)	2023 (in millions)	Maturity	Interest Rate
December 2024	Chinabank Savings	₱195	₱—	December 2028	8.00% per annum and payable on a quarterly
September 2024	Chinabank Corporation	3,149	—	September 2029	7.82%, annual repricing, payable quarterly
November 2023	Chinabank Corporation	1,342	1,500	November 2028	8.06%, Fixed up to 2 years only; Repricing on November 2025
January 2023 - August 2024	Development Bank of the Philippines	480	400	Various maturities until July 2026	8.21%-9.08%; Quarterly repricing
August and October 2022	Philippine National Bank	3,765	3,894	October 2027	7.39%; Fixed up to 2 years only; Quarterly repricing by Aug 2024
December 2022	Chinabank Savings	344	427	September 2026	8.50%; Annual repricing
May 2021	Security Bank Corporation	69	202	May 2025	4.65%; Annual repricing
October 2019	Banco De Oro	—	2,434	September 2024	7.75%; Semi-annual repricing
July and September 2021	Bank of the Philippine Island	—	1	March 2024	5.25%; Fixed until maturity
September - October 2019	UCPB	—	250	September 2024	8.75%; Annual repricing
		₱9,344	₱9,108		

Interest and principal payments are payable on a quarterly basis for all of the above bank loans.



CTS financing

CTS financing pertains to loan facilities which were used in the construction of the Group's real estate development projects. The related PNs have terms ranging from twelve (12) to forty-eight (48) months and are secured by the buyer's post-dated checks, the corresponding CTS, and parcels of land held by the Parent Company. The Group retained the assigned ICRs and recorded the proceeds from these assignments as "Long-term debt". These CTS loans bear fixed interest rates ranging from 7.00% to 7.75% and 5.88% to 8.50% as December 31, 2024 and December 31, 2023, respectively (see Note 6).

Security and Debt Covenants

Certain bilateral, trust receipts, payables under CTS financing and bank loans have mortgaged real estate inventories and assigned ICRs and contract assets wherein such assets can no longer be allowed to be separately used as collateral for another credit facility, grant loans to directors, officers and partners, and act as guarantor or surety in favor of banks. As of December 31, 2024 and 2023, the carrying values of these assets mortgaged for trust receipts, payables under CTS financing and bank loans are as follows:

	2024	2023
Investment properties	₱7,402,406,911	₱8,444,029,839
Real estate inventories	2,173,409,569	2,296,480,207
ICR	336,336,486	921,957,349

Certain bilateral loans have covenants to maintain a debt-to-equity ratio of not more than 2.33x and a debt service coverage ratio of at least 1.5x and current ratio of 1.2x. Debt includes note payables, short term and long-term debt. The bank loans have a covenant, specific to the projects it is financing, of having loan to security value of no more than 50% to 60%. Security value includes, among other things, valuation appraisal by independent appraisers and takes into account the sold and unsold sales and market value of the properties. The loan agreements require submission of the valuation of each mortgage properties on an annual basis or upon request of the facility agent. As of December 31, 2024 and 2023, the Group complied with the provisions of its debt covenants.

Borrowing Costs

- Borrowing cost capitalized amounted to nil and ₱157.11 million for the years ended December 31, 2024, and 2023, respectively (see Notes 2 and 7).

Interest Expense and Other Finance Charges

- Interest and other financing charges for the short-term and long-term debts for the years ended December 31, 2024, 2023 and 2022 totaled to ₱922.62 million, ₱632.90 million and ₱399.02 million, respectively (see Note 25).

18. Liabilities from Purchased Land

This account pertains to the outstanding payable of the Group for the cost of land purchases recognized under "Real estate inventories" amounting to ₱3.00 million and ₱49.48 million as of December 31, 2024 and 2023, respectively.



19. Bonds Payable

This account consists of the following:

	December 31, 2024	December 31, 2023
Principal		
Balances at the beginning of year	₱9,000,000,000	₱6,000,000,000
Addition	—	3,000,000,000
Repayment	(3,000,000,000)	—
	6,000,000,000	9,000,000,000
Deferred financing cost:		
Balances at the beginning of year	122,562,896	82,746,077
Addition	—	82,114,920
Amortization	(29,966,089)	(42,298,101)
Balances at the end of period	92,596,807	122,562,896
Carrying value	5,907,403,193	8,877,437,104
Less: Current portion	—	3,000,000,000
Non-current portion	₱5,907,403,193	₱5,877,437,104

On December 14, 2020, the Board approved the Parent Company's application of public offering of unsecured fixed-rate peso denominated retail bonds in amount of ₱2.00 billion with an Oversubscription Option of up to ₱1.00 billion.

On February 10, 2021, the SEC approved the Parent Company's application of public offering of unsecured fixed-rate peso denominated retail bonds in amount of ₱2.00 billion with an Oversubscription Option of up to ₱1.00 billion. On March 1, 2021, the Parent Company listed at the PDEX its three-year bonds, with interest rates of 4.8467% p.a. In the first quarter of 2024, the said three-year bonds amounting to ₱3.00 billion were paid in full.

On February 11, 2022, the Securities and Exchange Commission approved the application of the Parent Company's Shelf Registration of Debt Securities in the aggregate amount of Six Billion Pesos (₱6,000,000,000) to be offered within a period of 3 years or such period as Securities and Exchange Commission may allow at an Issue Price of 100% of Face Value. The First Tranche of the Fixed Rate Retail Bonds is Two Billion Pesos (₱2,000,000,000) with an Oversubscription Option of up to One Billion Pesos (₱1,000,000,000) Five (5)-Year Fixed Retail Bonds due 2027.

On February 24, 2022, the Parent Company listed at the PDEX its five-year bonds, with interest rates of 5.7524% p.a. The bonds are rated "AA" by Credit Rating and Investor Services Philippines Inc. (CRISP).

On March 3, 2023, the Certificate of Permit to Offer Securities for Sale was approved by the Securities and Exchange Commission relative to the Parent Company's Second Tranche Offer of Fixed Rate Retail Bonds consisting of up to Two Billion Pesos (₱2,000,000,000) with an Oversubscription Option of up to One Billion Pesos (₱1,000,000,000), worth of Fixed Rate Bonds comprising of 6.5760% per annum three (3) year fixed rate bonds ("Series A Bonds"), 7.4054% per annum five (5) year fixed rate bonds ("Series B Bonds") and 7.6800% per annum seven (7) year fixed rate bonds ("Series C Bonds"), under its Six Billion Pesos (₱6,000,000,000) Debt Securities Program Shelf Registration. This bond was listed at the PDEX on March 17, 2023. The bonds are rated "AA+" by Credit Rating and Investor Services Philippines Inc. (CRISP). Total debt issue costs amounted to ₱82.11 million and were capitalized as debt issue costs to be amortized over the life of the bonds.



Interest Expense and Other Finance Charges

Interest and other financing charges from bonds payable in 2024, 2023 and 2022 amounted to ₱428.08 million, ₱453.30 million and ₱392.13 million, respectively (see Note 25).

Security and Debt Covenants

The Group's bond payable have covenants to maintain a debt-to-equity ratio of not more than 2.00x, debt service coverage ratio of at least 1.5x and current ratio of 1.5x. As of December 31, 2024 and 2023, the Company complied with the provision of its debt covenant.

20. Equity

Common stock

The Group's authorized capital stock and issued and subscribed shares amounted to 15,000,000,000 shares and 11,699,723,690 shares, respectively as of December 31, 2024 and 2023. There are no movements in the Group's authorized, issued and subscribed shares in 2024, 2023 and 2022.

The following summarizes the Group's record of registration of securities under the Revised Securities Regulation Code:

On February 09, 2000, the Parent Company was listed with the Philippine Stock Exchange with a total of 3,554.72 million common shares, issued, paid and outstanding. The offering of the shares was at ₱1.00 per share.

On November 11, 2014, the Philippine Stock Exchange, Inc. approved the application of the Group to list additional 730.32 million common shares, with a par value of ₱0.53 per share, to cover the Group's 20.62% stock dividend declaration to stockholders of record as of October 27, 2014 which was paid on November 14, 2014.

On August 30, 2019, the Group's BOD authorized and approved the amendment of the stockholders' resolution dated September 29, 2017, specifically: (a) change in the par value of the proposed reclassified 3.00 billion Preferred Shares from ₱1.00 to ₱0.53 per share and (b) no increase in the authorized capital stock of the Parent Company, together with the consequent amendment of article nine of the amended articles of incorporation of the Parent Company. The amendment was approved by the SEC in January 2020.

As of December 31, 2024 and 2023, the Parent Company had 496 stockholders with at least one board lot at the PSE, for a total of 11,599,600,690 (₱0.53 par value) issued and outstanding common shares.

Preferred stock

CPGPB

On February 22, 2024, the Group listed and traded on the Main Board of The Philippine Stock Exchange, Inc. its 20,000,000 perpetual, cumulative, non-participating, non-voting, redeemable, non-convertible Series B Preferred Shares under the trading symbol CPGPB with an initial dividend rate of 7.5432% per annum at an Offer Price of Php100.00 per share. The preferred shares were offered to the public on February 6 to 13, 2024. The SEC approved the Group's application for the Primary Offer on January 5, 2024. The dividends on the preferred shares shall be paid quarterly, every February 22, May 22, August 22 and November 22 of each year.



The 20,000,000 preferred stock with a par value of ₱0.53 were fully subscribed totaling ₱10.60 million. Additional paid-in capital from preferred stock amounted ₱1,989.40 million and issuance cost totaled ₱38.63 million resulting in a net additional paid-in capital ₱1,950.77 million. Total cash received from issuance of preferred shares amounted to ₱1,961.37 million.

CPGP

On January 10, 2020, the Parent Company listed at the main board of the PSE its maiden follow-on offering of preferred stock under the trading symbol “CPGP”. These preferred shares are cumulative, non-voting, non-participating and redeemable at the option of the Parent Company. The Parent Company offered 20 million preferred stock at ₱100.00 each with an oversubscription option of up to 10 million preferred stock on December 16, 2019 to January 3, 2020, after the SEC issued an order rendering the Registration Statement that was filed on October 19, 2019 effective and a corresponding permit to offer the securities for sale. The initial dividend rate was set at 6.7177% per annum. The dividends on the preferred stock shall be paid quarterly, every January 10, April 10, July 10, and October 10 of each year.

The 30,000,000 preferred stock with a par value of ₱0.53 were fully subscribed totaling ₱15.90 million. Additional paid-in capital from preferred stock amounted ₱2,984.10 million and issuance cost totaled ₱99.06 million resulting in a net additional paid-in capital ₱2,885.04 million. Total cash received from issuance of preferred shares amounted to ₱2,900.94 million.

On July 10, 2023, the Parent Company fully redeemed its ₱3,000.00 million CPGP shares. The redemption price was the issue price of ₱100.00 per share, plus any accumulated unpaid cash dividends. The redemption of shares is treated as treasury shares recorded at cost.

On June 28, 2024, the BOD approved the retirement of the CPGP preferred shares that were classified as treasury shares. SEC approval on the retirement of CPGP preferred shares was received on October 29, 2024.

Treasury shares

On January 7, 2013, the BOD of the Parent Company approved a share buyback program for those shareholders who opt to divest of their shareholdings in the Parent Company. A total of ₱800.00 million worth of shares were up for buyback for a time period of up to 24 months. In 2014 and 2013, a total of 85.68 million shares and 14.44 million shares were reacquired at a total cost of ₱87.15 million and ₱22.52 million, respectively.

As of December 31, 2024, treasury shares amounted to ₱109.67 million consisting of 100.12 million common shares. As of December 31, 2023, treasury shares amounted to ₱3,109.67 million consisting of 100.12 million common shares and 30.00 million preferred shares.

Earnings per share

Basic earnings per share amounts attributable to equity holders of the Parent Company in 2024, 2023 and 2022 are as follows:

	2024	2023	2022
Net income attributable to the owners of the Parent Company	2,442,531,320	₱1,321,395,609	₱901,290,468
Dividends to preferred shares	113,148,000	100,765,499	201,531,000
	2,329,383,320	1,220,630,110	699,759,468
Weighted average number of shares	11,599,600,690	11,599,600,690	11,599,600,690
Basic earnings per share	₱0.20	₱0.11	₱0.060



Earnings per share are calculated using the consolidated net income attributable to the equity holders of Parent Company less dividend declared to preferred shares divided by the weighted average number of shares. The Group has no potentially dilutive ordinary shares as of December 31, 2024, 2023 and 2022.

Retained earnings

Retained earnings include the accumulated equity in undistributed net earnings of consolidated subsidiaries and associates, the balance of accumulated gains from fair value changes of investment properties, deferred tax assets and unrealized foreign exchange gains totaling to ₱10,826.38 million and ₱8,360.40 million as of December 31, 2024 and 2023, respectively. These are not available for dividend distribution unless declared by subsidiaries and other investees.

Retained earnings are further restricted for the payment of dividends to the extent of the cost of treasury shares outstanding as of the end of reporting period.

Cash dividend declaration

The Board of Directors (BOD) of CPGI approved the following dividend declaration in 2024, 2023 and 2022.

	Date of Declaration	Total Amount of Dividends	Dividends per share/ Dividend rate	Shares Record Date	Date of Payment
<i>Dividend for:</i>					
Common Shares	June 26, 2024	₱278,193,224	₱0.023983	July 29, 2024	August 12, 2024
Common Shares	June 26, 2024	185,467,616	0.015989	September 30, 2024	October 14, 2024
Preferred Shares	April 4, 2024	37,716,000	7.5432%	April 25, 2024	May 22, 2024
Preferred Shares	July 15, 2024	37,716,000	7.5432%	July 29, 2024	August 22, 2024
Preferred Shares	July 15, 2024	37,716,000	7.5432%	October 28, 2024	November 22, 2024
2024		₱576,808,840			
Common Shares	June 29, 2023	₱70,237,954	₱0.006055	July 28, 2023	August 11, 2023
Common Shares	June 29, 2023	70,237,954	₱0.006055	September 29, 2023	October 13, 2023
Preferred Shares	March 8, 2023	50,382,750	6.7177%	July 5, 2023	July 10, 2023
Preferred Shares	March 8, 2023	50,382,750	6.7177%	April 3, 2023	April 11, 2023
2023		₱241,241,408			
Preferred Shares	December 6, 2022	₱50,382,750	6.7177%	January 5, 2023	January 10, 2023
Preferred Shares	August 11, 2022	50,382,750	6.7177%	October 5, 2022	October 10, 2022
Preferred Shares	May 26, 2022	50,382,750	6.7177%	July 6, 2022	July 11, 2022
Preferred Shares	February 4, 2022	50,382,750	6.7177%	April 6, 2022	April 11, 2022
2022		₱201,531,000			

There are no unpaid dividends as of December 31, 2024, and December 31, 2023, respectively (see Note 14).

Non-controlling interest

On December 15, 2022, CALC recognized the equity portion of its deposit for preferred shares subscription. This resulted to increase in non-controlling interest amounting to ₱54.18 million (see Note 32).



On May 31, 2023, the Board of Directors (BOD) of CPGI approved the acquisition of 1,060,000,000 common shares with a par value of ₱1.00 per common share from Mitsubishi Corporation (MC), representing the latter's 40% ownership interest in PPHI, and 265,000 Preferred B shares with a par value of ₱1,000 per share owned by MC in PPHI. The Philippine Competition Commission (PCC) has approved the above transaction on August 9, 2023, and on November 24, 2023, CPGI concluded the acquisition at a transaction price of ₱1,438.00 million. . The difference between the acquisition price and the carrying value of NCI of ₱2,155.32 million as of October 30, 2023, amounting to ₱717.32 million, was recognized in the Group's equity reserve.

On May 31, 2023, the Board of Directors of the Century Limitless Corporation (CLC) also approved the acquisition of the 40% shareholdings of MC in the following subsidiaries:

- 409,780 common shares with par value of ₱100.00 per share and 175,620 preferred shares with par value of ₱100.00 per share in TPI I.
- 140,000 common shares with par value of ₱100.00 per share of MC in TPI II.
- 120,000 common shares with par value of ₱100.00 per share of MC in TPI III.

The PCC has approved the above transaction on August 9, 2023 and on November 24, 2023, CLC completed the above acquisition for a total acquisition price of ₱141.00 million. The difference between the acquisition price and the carrying value of NCI of ₱135.03 million as of October 30, 2023, amounting to ₱5.97 million, was recognized in the Group's equity reserve.

As of December 31, 2023, the Group still holds the escrow account related to the share purchase agreement with MC amounting to ₱78.95 million which is equivalent 5% of the total transaction price. In 2024, the escrow account related to the share purchase agreement with MC was released.

Non-controlling interest - dividends declared

During 2023 and 2022, the BOD of CPGI subsidiaries approved the following dividend declarations to non-controlling interest.

	Date of Declaration	Total Amount of Dividends	Dividends per share	Dividend declared to NCI	Date of Payment
TPI I	May 30, 2023	₱78,000,000	₱177.66	₱31,200,000	May 31, 2023
TPI II	May 30, 2023	24,000,000	68.57	9,600,000	May 31, 2023
TPI III	May 30, 2023	160,500,000	535.00	64,200,000	May 31, 2023
PPHI	May 30, 2023	987,500,000	0.37	395,000,000	May 31, 2023
2023		₱1,250,000,000		₱500,000,000	
TPI I	June 29, 2022	₱70,000,000	₱159.44	₱28,000,000	June 30, 2022
TPI II	June 29, 2022	230,000,000	657.14	92,000,000	June 30, 2022
TPI III	June 29, 2022	200,000,000	666.67	80,000,000	June 30, 2022
2022		₱500,000,000		₱200,000,000	

Non-controlling interest - additional issuances

In 2022, PPHI issued additional 354 million common shares with a par value of ₱1.00 and 96,000 preferred shares with ₱1,000.00 par value per share to CPGI. At the same time, PPHI also issued 254.00 million common shares with a par value of ₱1.00 and 64,000 preferred shares with ₱1,000.00 par value per share to Mitsubishi Corporation (MC). which resulted into an aggregate increase in the non-controlling interest amounting to ₱320.00 million.



Other components of equity

Other components of equity mainly pertain to the equity reserve recognized between the consideration paid by MC and the carrying value of the net assets of TPI I, TPI II, TPI III and Century City Development Corp II (CCDC II) given up amounting to ₱104.49 million as of December 31, 2020. In 2020, CPGI acquired the total outstanding shares held by MC in CCDC II. The difference between the acquisition price paid by CPGI and the value of the non-controlling interest held by MC in CCDCII as of August 24, 2020, amounting to ₱782.24 million, was charged against the Group's equity reserve.

In 2023, the Group acquired the total outstanding shares held by MC in its subsidiaries, TPI I, TPI II, TPI III and PPHI. The difference between the total acquisition price of ₱1,579.00 million and the carrying amount of NCI as of October 30, 2023 amounting to ₱2,290.35 million, which amounted to ₱711.35 million, was recognized in the Group's equity reserve.

Other components of equity also include the remeasurement loss on equity instruments at FVOCI amounting to ₱7.74 million and ₱5.45 million as of December 31, 2024 and December 31, 2023, respectively.

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong and healthy consolidated statement of financial position to support its current business operations and drive its expansion and growth in the future.

The Group undertakes to establish the appropriate capital structure for each business line, to allow it sufficient financial flexibility, while providing it sufficient cushion to absorb cyclical industry risks.

The Group considers debt as a stable source of funding. The Group attempts to continually lengthen the maturity profile of its debt portfolio and makes it a goal to spread out its debt maturities by not having a significant percentage of its total debt maturing in a single year.

The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. It monitors capital using leverage ratios on both a gross debt and net debt basis. The Group is subject to externally imposed capital requirements from its bank loans which it has complied with as of December 31, 2024 and 2023 (see Note 17).

Equity, which the Group considers as capital, pertains to the equity attributable to equity holders of the Parent Company excluding other components of equity and remeasurement loss on defined benefit plan, amounting to a total of ₱22,080.13 million and ₱20,226.11 million as of December 31, 2024 and 2023, respectively.

No changes were made in the objectives, policies or processes for managing capital in 2024 and 2023.



21. General, Administrative and Selling Expenses

This account consists of:

	2024	2023	2022
Commission	₱1,138,389,811	₱1,036,566,170	₱845,591,110
Salaries, wages and employee benefits (Note 22)	714,226,436	780,464,020	592,879,006
Marketing and promotions	652,705,471	575,542,686	465,055,490
Taxes and licenses	247,055,096	263,231,236	217,473,794
Depreciation and amortization (Notes 12 and 13)	158,775,236	81,875,890	55,993,463
Outside services	138,457,800	123,882,639	60,709,483
Representation expenses	105,690,605	83,853,158	110,273,064
Professional fees	77,090,964	71,329,450	67,866,450
Supplies	64,286,170	34,731,098	39,177,477
Utilities	37,302,212	36,342,721	14,066,531
Repairs and maintenance	35,571,536	30,201,664	26,031,567
Transportation and travel	32,554,979	21,676,619	20,143,613
Provision for expected credit losses - net (Note 16)	28,639,961	37,981,784	1,416,053
Rent	11,260,870	36,757,394	53,766,339
Communication	10,306,444	13,895,905	14,567,022
Miscellaneous	251,921,162	122,400,250	186,087,934
	₱3,704,234,753	₱3,350,732,684	₱2,771,098,396

Provision for expected credit losses - net pertains to write-off of advances to related party amounting to ₱12.83 million in 2023 and additional allowance for estimated credit losses for receivables amounting to ₱28.64 million, ₱25.15 million and ₱1.42 million in 2024, 2023 and 2022, respectively (see Notes 6 and 16).

Miscellaneous pertains mainly to research development, sponsorships, recruitment fess, and insurance. In 2024, it also includes various reversals of long-outstanding prepayments and other assets amounting to ₱40.78 million.

22. Personnel Cost

This account consists of salaries, wages and employee benefits as follows:

	2024	2023	2022
General, administrative and selling expenses (Note 21)	₱714,226,436	₱780,464,020	₱592,879,006
Cost of services	244,579,197	262,558,196	268,345,792
	₱958,805,633	₱1,043,022,216	₱861,224,798



The breakdown of salaries, wages and employee benefits is as follows:

	2024	2023	2022
Salaries and wages	₱711,506,414	₱871,760,111	₱698,187,701
Retirement expense (Note 26)	43,635,129	43,196,004	47,016,562
Other employee benefits	203,664,090	128,066,101	116,020,535
	₱958,805,633	₱1,043,022,216	₱861,224,798

23. Property Management Fee, Hotel and Other Services

This account consists of:

	2024	2023	2022
Revenues:			
Property management fee	₱463,168,532	₱458,294,134	₱420,720,590
Technical services	1,241,100	4,244,321	2,647,367
	₱464,409,632	₱462,538,455	₱423,367,957
Hotel services	₱121,887,054	₱57,429,992	₱—

Property management fee pertains mostly to facilities management and consultancy fees of condominium corporations, corporate facilities and prior projects of the Group, which have been turned over to the respective buyers.

Hotel services pertain to rental of hotel rooms, food and beverage sales, and other related service revenue. The Group's hotel business, the Novotel Suites Manila at Acqua, has formally started its "Soft-Opening" on December 15, 2022, launching the room nights for three (3) floors (equivalent to forty-eight (48) rooms). The Grand Launch of the Hotel was in November 2023 wherein all one hundred and fifty-two (152) rooms were opened.

Technical services pertain to other services such as plan evaluation, consultation and project management.

Direct cost of services incurred, which mainly include salaries and employee benefits, contracted services, and cost of repairs and maintenance, amounted to ₱346.42 million, ₱320.59 million and ₱268.35 million in 2024, 2023 and 2022, respectively, in relation to property management.



24. Interest and Other Income

This account consists of:

	2024	2023	2022
Income from forfeited collections	₱294,191,522	₱178,804,590	₱209,167,039
Interest income from deposits and short-term investments (Notes 4 and 5)	150,980,505	145,365,612	53,205,768
Interest income from amortization of liabilities to preferred shares (Note 32)	21,252,690	11,342,261	—
Income from in-house financing	128,572,441	111,741,178	93,197,773
Other income	489,764,464	350,925,708	113,704,775
	₱1,084,761,622	₱798,179,349	₱469,275,355

Income from forfeited collections pertains to forfeited collections from reservation fees whose allowable period of completion has prescribed and terminated sales contracts.

Other income mainly consists of customer-related fees such as processing fees, penalties and other surcharges billed against defaulted installments from sales contracts. Real estate buyers are normally charged a penalty of 3.00% of the monthly installment for every month in arrears from the time the specific installment becomes due and payable. In 2024, “Other income” includes forfeited rental deposits from pre-terminated lease contracts amounting to ₱294.19 million.

25. Interest and Other Financing Charges

Details of this account follow:

	2024	2023	2022
Interest expense from:			
Bonds payable (Note 19)	₱428,082,842	₱453,297,442	₱392,134,510
Short-term and long-term debts (Note 17)	922,616,457	632,900,728	399,019,655
Lease liabilities (Note 28)	4,829,998	2,965,638	4,829,999
Amortization of liabilities to preferred shares (Note 32)	1,944,434	—	—
Other financing charges	94,101,320	119,273,972	121,905,353
	₱1,451,575,051	₱1,208,437,780	₱917,889,517

Other financing charges mostly include charges from interbank transfers other banking service fees and amortization of deferred transaction costs.



26. Pension Costs

The Group has a funded, noncontributory, defined benefit pension plan covering substantially all of its regular employees. The benefits are based on the projected retirement benefit of 22.5 days pay per year of service in accordance with Republic Act 7641, *The Retirement Pay Law*. The benefits are based on current salaries and years of service and compensation on the last year of employment. An independent actuary conducts an actuarial valuation of the retirement benefit obligation using the projected unit credit method.

The components of retirement expense included under “Salaries, wages and employee benefits” under general, administrative and selling expenses follow (see Note 21):

	2024	2023	2022
Current service cost	₱29,884,538	₱25,718,179	₱32,078,230
Net interest cost on benefit obligation	13,750,591	17,477,825	14,938,332
Retirement expense	₱43,635,129	₱43,196,004	₱47,016,562

Changes in the fair value of the plan assets (FVPA) and the present value of the retirement obligation (PVRO) are as follows as of December 31, 2024 and 2023:

	2024	2023
FVPA:		
Balance at January 1	₱7,605,900	₱7,160,690
Interest income	465,481	523,446
Remeasurement loss from changes in financial assumptions	(82,586)	(78,236)
Balance at December 31	7,988,795	7,605,900
PVRO:		
Balance at January 1	297,754,190	238,347,158
Transfer from the Parent Company	—	(2,957,246)
Current service cost	29,884,538	25,718,179
Interest cost	14,216,072	18,001,271
Benefits paid	—	(10,007,461)
Actuarial loss (gain) from changes in:		
Financial assumptions	937,741	31,847,881
Experience and demographic assumptions	(34,122,442)	(3,195,592)
Balance at December 31	308,670,099	297,754,190
Net liability arising from retirement obligation	₱300,681,304	₱290,148,290

The plan assets as of December 31, 2024 and 2023 pertain solely to bank deposits. The Group does not expect to contribute to its retirement fund in 2023.

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumptions on the defined benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant.

	December 31, 2024	
	Increase (decrease)	Effect on DBO
Discount rate	1.0%	(₱28,170,388)
Discount rate	(1.0%)	33,249,379
Rate of salary increase	1.0%	33,096,930
Rate of salary increase	(1.0%)	(28,553,928)



	December 31, 2023	
	Increase (decrease)	Effect on DBO
Discount rate	1.0%	(P27,484,969)
Discount rate	(1.0%)	32,522,968
Rate of salary increase	1.0%	32,382,224
Rate of salary increase	(1.0%)	(27,863,092)

The assumptions used to determine pension benefits for the Group in 2024 and 2023 are as follows:

	2024	2023
Discount rate	6.07% - 6.18%	6.06% - 6.19%
Salary increase rate	3.5% - 6.00%	3.5% - 6.00%

Shown below is the maturity analysis of the undiscounted benefit payments:

Year ending	Amount
December 31, 2025	P46,234,454
December 31, 2026	8,337,305
December 31, 2027	10,448,087
December 31, 2028	20,568,101
December 31, 2029	33,179,287
December 31, 2030 through December 31, 2034	233,854,611

27. Income Taxes

The provision for income tax consists of:

	2024	2023	2022
Current:			
RCIT/MCIT	P532,147,169	P429,066,874	P347,774,418
Final	15,661,617	11,682,579	10,641,154
	547,808,786	440,749,453	358,415,572
Deferred	(150,591,158)	(98,557,120)	(139,441,803)
	P397,217,628	P342,192,333	P218,973,769

Current tax

Income tax includes regular corporate income tax (RCIT) at the rate of 25% in 2024, 2023, and 2022. minimum corporate income tax (MCIT) is at the rate of 2% in 2024, 1.5% in 2023, and 1% in 2022, and final taxes paid is at the rate of 20%, which is a final withholding tax on gross interest income from debt instruments and other deposit substitutes.



Deferred tax

The components of the Group's net deferred tax assets are as follows:

	2024	2023
Recognized in the consolidated statements of comprehensive income:		
Deferred tax assets on:		
Effect of difference in accounting and tax base in real estate sales	₱61,029,583	₱21,426,709
Provisions for impairment losses	15,872,907	4,737,921
Accrued retirement costs	9,239,785	26,147,672
	86,142,275	52,312,302
Recognized directly in equity:		
Deferred tax asset (liability) on re-measurement loss on retirement obligation	(3,431,695)	(3,955,123)
	₱82,710,580	₱48,357,179

The components of the Group's net deferred tax liabilities are as follows:

	2024	2023
Recognized in the consolidated statements of comprehensive income:		
Deferred tax assets on:		
Accrued retirement costs	₱72,725,264	₱45,020,377
Difference in accounting of PFRS 16 NOLCO	66,284,443	17,030,403
MCIT	13,520,311	7,039,179
Provisions for impairment losses	11,134,986	3,974,995
	163,665,004	90,503,809
Deferred tax liabilities on:		
Fair value gains on investment properties	(896,433,539)	(1,019,541,950)
Effect of difference in accounting and tax base on real estate sales	(399,896,736)	(891,039,781)
Prepaid commissions	(179,642,570)	(192,618,751)
Effect of difference in accounting and tax base on investment properties	(351,271,013)	(390,638,026)
Unamortized deferred financing costs	(43,591,508)	(51,090,592)
Others	(2,475,835)	(9,639,315)
	(1,873,311,201)	(2,554,568,415)
Recognized directly in equity:		
Deferred tax asset (liability) on re-measurement loss on retirement obligation	(3,363,028)	5,324,147
	(₱1,713,009,225)	(₱2,458,740,459)



As of December 31, 2024, carryover NOLCO that can be claimed as deduction from future taxable income is as follows:

Year Incurred	Amount	Used/Expired	Balance	Expiry Year
2020	₱470,848,536	₱—	₱470,848,536	2025
2021	628,449,782	—	628,449,782	2026
2022	654,733,261	—	654,733,261	2025
2023	850,296,181	—	850,296,181	2026
2024	713,423,746	—	713,423,746	2027
	₱3,317,751,506	₱—	₱3,317,751,506	

As of December 31, 2024, MCIT that can be used as deductions against income tax liabilities are as follows:

Year	Amount	Used/Expired	Balance	Expiry Year
2021	₱3,256,078	(₱3,256,078)	₱—	2024
2022	317,771	—	317,771	2025
2023	8,515,874	—	8,515,874	2026
2024	14,894,750	—	14,894,750	2027
	₱26,984,473	(₱3,256,078)	₱23,728,395	

Unrecognized deferred tax assets

The Group has NOLCO and MCIT that are available for offset against future taxable income or tax payable for which deferred tax assets have not been recognized. Unrecognized deferred tax assets on NOLCO and MCIT amounted to ₱763.25 million and ₱10.21 million respectively, as of December 31, 2024 and ₱634.05 million and ₱5.05 million, respectively, as of December 31, 2023.

Statutory reconciliation

The reconciliation of the provision for income tax computed at statutory income tax rate to the provision for income tax shown in profit or loss follows:

	2024	2023	2022
Provision for income tax computed at statutory rate	₱709,937,237	₱549,208,925	₱405,933,210
Adjustments for:			
Nondeductible interest and other expenses	77,396,408	326,542,280	444,746,328
Change in unrecognized deferred tax assets	134,259,437	224,511,311	147,613,893
Expired NOLCO	—	—	37,406,500
Expired/Applied MCIT	3,256,078	933,958	33,380,847
Final tax	15,661,617	11,682,579	10,641,154
Income under income tax holiday	(505,548,021)	(737,302,675)	(807,542,395)
Non-taxable interest and other income	(37,745,128)	(33,384,045)	(53,205,768)
Provision for income tax	₱397,217,628	₱342,192,333	₱218,973,769



On June 20, 2023, the Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 69-2023 reverting the MCIT rate to 2% of gross income effective July 1, 2023 pursuant to CREATE Act. MCIT rate was previously reduced from 2% to 1% effective July 1, 2020 to June 30, 2023 upon the effectivity of CREATE Act in 2021. Consequently, the Group recognized MCIT using the effective rate of 1.5% in 2023 in accordance with RMC 69-2023.

28. Lease Contracts

Group as lessee

The Group has lease contracts for various office spaces with lease terms of two (2) to three (3) years. Rental due is based on the agreed fixed monthly rent, subject to escalation. In 2024, the Group terminated its lease contracts for these office spaces. As of December 31, 2024 and 2023, the Group has rental deposits pertaining to these lease contracts amounting to ₱90.04 million and ₱94.25 million, respectively (see Note 13).

The rollforward of lease liability is as follows:

	December 31, 2024	December 31, 2023
Balance at beginning of year	₱34,209,307	₱27,732,190
Additions (Terminations)	(18,305,381)	27,764,862
Accretion for the year (Note 25)	4,829,998	2,965,638
Payments	(20,733,924)	(24,253,383)
Balance at end of year	—	34,209,307
Less current portion	—	17,374,825
Noncurrent portion	₱—	₱16,834,482

Payments for principal on lease liability are presented under financing activities while payments for interest on lease liability are presented under operating activities. The Group has paid ₱15.90 million, ₱15.41 million and ₱29.41 million related to principal portion of lease liabilities in 2024, 2023 and 2022, respectively. Total interest on lease liabilities paid amounted to ₱4.83 million, ₱2.97 million and ₱4.83 million in 2024, 2023 and 2022, respectively.

The following are the amounts recognized in consolidated statements of comprehensive income:

	2024	2023	2022
Leasing revenues	₱1,190,728,314	₱1,293,121,807	₱1,362,474,800
Depreciation expense of right-of-use assets included in property and equipment	10,456,041	15,182,531	25,892,500
Interest expense on lease liabilities	4,829,999	2,965,638	4,829,999
Expenses relating to short-term leases (included in general, selling and administrative expenses) (Note 21)	11,260,870	36,757,394	53,766,339



The movements of ROU assets during 2024 and 2023 are as follows:

	2024	2023
Balance at beginning of year	₱41,431,445	₱28,849,114
Amortization expense (Note 12)	(23,126,065)	(15,182,531)
Additions (Termination) (Note 12)	(18,305,380)	27,764,862
Balance at end of year	₱—	₱41,431,445

Shown below is the maturity analysis of the future undiscounted lease payments as of December 31, 2024 and 2023:

	2024	2023
Within one year	—	₱17,374,825
After one year but not more than three years	—	16,834,482

Group as lessor

The Group is a lessor of its commercial units in its retail mall, hospital, office and commercial spaces. The leases have terms ranging from one (1) year to (10) years, with renewal options. Monthly rent payment is computed using a fixed rate per square meter and variable rent based on percentage of sales of the tenants for the year. Leasing revenue recognized amounted to ₱1,190.73 million, ₱1,293.12 million and ₱1,362.47 million in 2024, 2023 and 2022, respectively.

Advance Deposits and Refundable Deposits

Refundable deposits pertain to utilities and meter deposits, and security deposits collected from tenants which are refundable at the end of the lease contracts. The Group received refundable deposits and security deposits classified as “Other current liabilities” amounting to ₱31.41 million and ₱59.85 million and “Other noncurrent liabilities” amounting to ₱258.56 million and ₱675.22 million as of December 31, 2024 and December 31, 2023, respectively (see Note 32).

Deferred Lease Income

Deferred lease income is amortized over the lease term on a straight-line basis and which amortization is recorded as part of “Leasing revenue” in the statements of comprehensive income. The carrying value of the deferred lease income presented under financial statement caption “Other current liabilities” amounted to ₱10.13 million and ₱14.00 million and “Other noncurrent liabilities” amounted to ₱9.31 million and ₱98.02 million as of December 31, 2024 and December 31, 2023, respectively (see Note 33).

Future minimum rentals receivable under operating leases are as follows:

	2024	2023
Within one year	₱974,901,869	₱974,901,869
After one year but not more than three years	2,526,297,570	2,526,297,570



29. Financial Instruments

Fair Value Information

The table below presents the carrying amounts and fair values of the Group's financial assets and financial liabilities:

	2024		2023	
	Carrying Value	Fair value	Carrying Value	Fair Value
Financial assets				
ICR	₱10,218,316,411	₱10,854,411,760	₱10,513,080,456	₱11,175,582,342
Rental deposits	90,036,776	93,106,228	94,247,911	95,479,912
	10,308,353,187	10,947,517,988	₱10,607,328,367	₱11,271,062,254
Financial liabilities				
Long-term debt	9,973,666,717	10,285,956,341	10,352,233,632	11,360,005,043
Bonds payable	5,907,403,193	6,000,000,000	8,877,437,104	9,000,000,000
Liability from purchased land	2,999,083	3,185,777	49,484,077	52,564,486
Security deposits	281,001,108	272,453,741	705,287,213	679,753,641
	₱16,165,070,101	₱16,561,595,859	₱19,984,442,026	₱21,092,323,170

Fair Value of Financial Instruments

The methods and assumptions used by the Group in estimating the fair values of the financial instruments are as follows:

Financial assets

Cash and cash equivalents, receivables (excluding ICRs), due from related parties, accounts and other payables, due to related parties and short-term debt

Carrying amounts approximate fair values due to the short-term maturities of these instruments.

ICRs

Fair value is based on undiscounted value of future cash flows using the prevailing interest rates for similar types of receivables as of the reporting date using the remaining terms of maturity. Discount rates ranging from 6.25% to 5.88% were used in calculating the fair value as of December 31, 2024 and 2023.

Rental deposits

The fair values of rental deposits are based on the discounted value of future cash flows using the applicable market interest rates. Discount rates ranging from 5.64% to 6.49% were used in calculating the fair value of the Group's rental deposits as of December 31, 2024 and 2023, respectively.

Long-term debt, bonds payable, liability from purchased land and, security deposits

The fair values are estimated using the discounted cash flow method using the Group's current incremental borrowing rates for similar borrowings with maturities consistent with those remaining for the liability being valued. The discount rates used for long-term debt ranged from 5.78% to 7.20% and 5.64% to 6.49% as of December 31, 2024 and 2023, respectively. The discount rates used for the bonds payable ranged from 5.05% to 5.83% as of December 31, 2024 and 2023, respectively. The discount rates used for the liability from purchased land ranged from 5.64% to 6.49% as of December 31, 2024 and 2023, respectively.



The discount rates used for refundable deposits ranged from 6.64% to 6.49% as of December 31, 2024 and 2023, respectively. The discount rates used for the lease liabilities ranged from 5.64% to 6.49% as of December 31, 2024 and 2023, respectively.

In 2024 and 2023, the Group did not have transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

Financial Risk Management Policies and Objectives

The Group has various financial assets and liabilities such as cash and cash equivalents, receivables, due to and from related parties, and accounts payable and other liabilities, which arise directly from its operations. The Group has bonds payable, short-term and long-term debt availed for financing purposes.

Exposure to credit, interest rate and liquidity risks arise in the normal course of the Group's business activities.

The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The Group's BOD reviews and approves the policies for managing each of these risks and they are summarized below:

Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Group by failing to discharge an obligation.

The Group trades only with recognized, creditworthy third parties. The Group's receivables are monitored on an ongoing basis to manage exposure to bad debts and to ensure timely execution of necessary intervention efforts. Real estate buyers are subject to standard credit check procedures, which are calibrated based on payment scheme offered. The Group assessed that its customers portfolio is homogeneous. The Group's respective credit management units conduct a comprehensive credit investigation and evaluation of each buyer to establish creditworthiness.

In addition, the credit risk for ICRs is mitigated as the Group has the right to cancel the sales contract without need for any court action and take possession of the subject house in case of refusal by the buyer to pay on time the due installment contracts receivable. This risk is further mitigated because the corresponding title to the subdivision units sold under this arrangement is transferred to the buyers only upon full payment of the contract price.

With respect to credit risk arising from the other financial assets of the Group, exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Group transacts only with institutions or banks which have demonstrated financial soundness for the past 5 years.

The Group's maximum exposure to credit risk as of December 31, 2024 and 2023 is equal to the carrying values of its financial assets with an aggregate amount of ₱7,571.11 million and ₱6,292.51 million, which excludes cash on hand amounting to ₱1.29 million and ₱1.26 million respectively, and ICRs with carrying values of ₱10,218.32 million and ₱10,513.08 million, respectively.



The credit quality of the financial assets was determined as follows:

Cash and cash equivalents and rental deposits - these are considered as high-grade financial assets as these are entered into with reputable counterparties.

Receivables - these are considered as high grade since there are no default in payments.

Due from related parties - these are considered as standard grade as these are settled on time or are slightly delayed due to unresolved concerns.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or the counterparty failing on repayment of a contractual obligation; or inability to generate cash inflows as anticipated. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and advances from related parties. It matches its projected cash flows to the projected amortization of long-term borrowings. For its short-term funding, the Group's policy is to ensure that there are sufficient operating inflows to match repayments of short-term debt.

The following table shows the maturity profile of the Group's financial assets used for liquidity purposes and liabilities based on contractual undiscounted payments:

	December 31, 2024		Total
	Within 1 Year	More than 1 year	
Financial assets			
Cash and cash equivalents	₱4,175,107,957	₱—	₱4,175,107,957
Short-term deposits	5,195,169	—	5,195,169
Receivables*	11,101,522,051	1,062,900,379	12,164,422,430
Due from related parties	1,357,799,701	—	1,357,799,701
Rental deposits	90,036,776	—	90,036,776
	₱16,729,661,654	₱1,062,900,379	₱17,792,562,033
Financial liabilities			
Accounts and other payables**	4,694,827,098	—	4,694,827,098
Due to related parties	70,410,781	—	70,410,781
Short-term debt	962,878,827	—	962,878,827
Liability from purchased land	2,999,083	—	2,999,083
Long-term debt:			
Principal	1,264,264,639	8,791,171,299	10,055,435,938
Interest	628,170,718	1,425,051,761	2,053,222,479
Bonds payable:			
Principal	—	3,000,000,000	3,000,000,000
Interest	391,732,590	816,936,921	1,208,669,511
Liabilities to preferred shareholders	—	946,372,777	946,372,777
Security deposits	31,413,201	249,587,906	281,001,107
	₱8,046,696,937	₱15,229,120,664	₱23,275,817,601

* Excluding receivables from employees amounting to ₱352.06 million as of December 31, 2024.

**Excluding customers' advances and statutory liabilities amounting to ₱2,796.45 million and ₱268.15 million, respectively, as of December 31, 2024



	December 31, 2023		
	Within 1 Year	More than 1 year	Total
Financial assets			
Cash and cash equivalents	₱ 3,543,351,959	₱—	₱ 3,543,351,959
Short-term deposits	18,258,017	—	18,258,017
Receivables*	10,281,047,604	1,268,850,078	11,549,897,682
Due from related parties	1,566,243,753	—	1,566,243,753
Rental deposits	—	94,247,911	94,247,911
	₱15,408,901,333	₱1,363,097,989	₱16,771,999,322
Financial liabilities			
Accounts and other payables**	₱3,737,714,910	₱—	₱3,737,714,910
Due to related parties	384,097,093	—	384,097,093
Short-term debt	791,664,471	—	791,664,471
Liability from purchased land	49,484,077	—	49,484,077
Long-term debt:			
Principal	3,851,897,104	6,562,157,296	10,414,054,400
Interest	584,237,749	2,024,570,726	2,608,808,475
Bonds payable:			
Principal	3,000,000,000	6,000,000,000	9,000,000,000
Interest	429,056,490	1,208,669,510	122,562,896
Liability to preferred shareholders	—	948,318,210	948,317,210
Lease liabilities	17,374,824	16,834,482	34,209,306
Security deposits	59,850,397	645,436,816	705,287,213
	₱12,905,377,115	₱17,405,987,040	₱28,796,200,051

* Excluding receivables from employees amounting to ₱365.13 million as of December 31, 2023.

**Excluding customers' advances and statutory liabilities amounting to ₱2,367.51 million and ₱114.34 million, respectively, as of December 31, 2023.

Interest rate risk

Interest rate risk is the risk that changes in the market interest rates will reduce the Group's current or future earnings and/or economic value. The Group's interest rate risk management policy centers on reducing the overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Group's interest-bearing debt obligations with floating interest rates or rates subject to repricing as it can cause a change in the amount of interest payments.

The following table sets out the carrying amount, by maturity, of the Group's long-term debt that are exposed to interest rate risk.

	Interest terms	Rate fixing period		
	(p.a.)		<1 year	1 to 5 years
2024	7.5-8.25	Quarterly; Annually	₱1,856,718,104	₱6,635,367,294
2023	6.2-10.3	Monthly; Annually	₱3,185,696,105	₱1,200,949,687

The following table demonstrates the sensitivity to reasonably possible changes in interest rates, with all variables held constant, of the Group's income before tax and equity (through the impact on floating rate borrowings).

	2024		2023	
	Increase (decrease) in interest rates	Effect on profit before tax	Increase (decrease) in interest rates	Effect on profit before tax
Basis points	1.00%	(₱84,920,854)	1.00%	(₱43,866,458)
	(1.00%)	84,920,854	(1.00%)	43,866,458



There is no other impact on the Group's total comprehensive income other than those already affecting the net income.

30. Performance Obligations

Information about the Group's performance obligations are summarized below:

Real estate sales

The Group entered into contracts to sell with one identified performance obligation, which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration. The sale of real estate unit may cover the contract for either the (i) serviced lot; (ii) service lot and house, and (ii) condominium unit and the Group concluded that there is one performance obligation in each of these contracts. The Group recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction.

Payment commences upon signing of the contract to sell and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include payment of 10%-30% of the contract price spread over a certain period (e.g., three months to four years) at a fixed monthly payment with the remaining balance payable (a) in full at the end of the period either through cash or external financing; or (b) through in-house financing which ranges from two (2) to five (5) years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the customer does not necessarily coincide with the progress of construction, which results to either an installment contract receivable or contract liability.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31, 2024 and 2023 are as follows:

	2024	2023
Within one year	₱9,357,814,707	₱8,332,201,610
More than one year	907,303,983	1,007,398,598
	₱10,265,118,690	₱9,339,600,208

The remaining performance obligations expected to be recognized within one year and in more than one year relate to the continuous development of the Group's real estate projects. The Group's condominium units are completed within three years and five years, respectively, from start of construction while serviced lots and serviced lots and house are expected to be completed within two to three years from start of development.



All of the Group's real estate sales from residential development are revenue from contracts with customers recognized over time. The Group's disaggregation of each source of real estate sales are presented below:

Project	Location	2024	2023	2022
Century City	Makati City	₱19,397,522	₱246,715,607	₱1,019,209,007
The Residences at Commonwealth	Quezon City	167,977,859	604,996,499	893,414,343
Azure Urban Resort Residences	Paranaque City	89,576,901	151,358,493	218,846,457
Acqua Private Residences	Mandaluyong City	1,507,903,933	641,428,070	30,710,474
The Resort Residences at Azure North	Pampanga City	854,772,940	1,630,477,942	1,085,356,789
Batulao Landscapes	Batangas	186,070,804	122,051,569	347,705,325
Tanza Properties	Cavite	201,690,386	262,593,722	476,306,136
PHirst Park Homes	Bacolod	96,440,601	—	—
PHirst Park Homes	Cavite	1,139,434,577	989,963,986	—
PHirst Park Homes	Bulacan	1,515,934,689	686,789,308	2,322,672,961
PHirst Park Homes	Laguna	918,223,540	818,468,217	1,109,375,197
PHirst Park Homes	Pampanga City	371,119,346	1,217,895,114	618,512,994
PHirst Park Homes	Batangas	1,677,933,391	1,686,955,964	1,109,375,196
PHirst Park Homes	Tayabas Quezon	706,420,990	511,183,939	—
PHirst Park Homes	Bataan	280,448,754	202,477,479	—
PHirst Park Homes	Nueva Ecija	108,598,869	81,456,254	—
Editions Batulao	Batangas	1,569,931,878	524,929,984	—
Impressions Batulao	Batangas	313,657,349	—	—
Impressions Hermosa	Bataan	186,786,871	—	—
Sights Bay	Laguna	847,175,727	414,835,361	—
		₱12,759,496,927	₱10,794,577,508	₱9,231,484,879

Property management, hotels and other service fees

The Group's disaggregation of each source of property management, hotels and other service fees are as follows:

Location	2024	2023	2022
Within Metro Manila	₱578,885,834	₱512,910,493	₱416,646,096
Outside Metro Manila	7,410,852	7,057,954	6,721,861
	₱586,296,686	₱519,968,447	₱423,367,957

31. Segment Information

Business segment information is reported on the basis that is used internally for evaluating segment performance and deciding how to allocate resources among operating segments. Accordingly, the segment information is reported based on the nature of service the Group is providing.

The segments where the Group operate follow:

- Real estate development - sale of high-end, upper middle-income and affordable residential lots and units and lease of residential developments under partnership agreements;
- Property and hotel management - facilities management of the residential and corporate developments of the Group and other third-party projects, including provision of technical and related consultancy services, rental of hotel rooms, food and beverage sales, and other service revenue;
- Leasing - lease of the Group's retail mall, offices and medical office.



Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

For the years ended December 31, 2024, 2023 and 2022, there were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers.

Intersegment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. Segment revenue, segment expense and segment results include transfers between operating segments. Those transfers are eliminated in consolidation. The various business segments in the Group is not affected by seasonality in operations.

The financial information about the operations of these operating segments is summarized below:

For the Year Ended December 31, 2024					
	Real Estate Development	Property and Hotel Management	Leasing	Intersegment Adjustments and Elimination	Consolidated
Revenue	₱12,863,242,285	₱586,296,686	₱1,268,396,136	(₱77,667,822)	₱14,640,267,285
Costs and expenses					
Cost of real estate sales and services	6,783,150,502	346,424,517	436,502,496	–	7,566,077,515
General, administrative and selling expenses	4,053,859,290	202,776,733	109,190,337	(661,591,607)	3,704,234,753
Operating income	2,026,232,493	37,095,436	722,703,303	583,923,785	3,369,955,017
Other income (expenses)					
Interest and other income (expense)	2,926,833,533	31,714,835	175,210,074	(2,212,389,460)	921,368,982
Interest and other financing charges	(1,016,949,342)	(3,523,773)	(505,149,430)	74,047,494	(1,451,575,051)
Income before income tax	3,936,116,684	65,286,498	392,763,947	(1,554,418,181)	2,839,748,948
Provision for income tax	421,906,765	16,321,625	101,533,808	(142,544,570)	397,217,628
Net income	₱3,514,209,919	₱48,964,873	₱291,230,139	(₱1,411,873,611)	₱2,442,531,320

As of December 31, 2024					
Segment assets	₱67,669,442,272	₱1,446,915,915	₱18,515,964,765	(₱31,845,173,583)	₱55,787,149,369
Deferred tax assets	53,575,399	19,130,671	–	10,004,510	82,710,580
Total Assets	₱67,723,017,671	₱1,466,046,586	₱18,515,964,765	(₱31,835,169,073)	₱55,869,859,949
Segment liabilities	43,788,544,102	1,391,705,820	6,398,224,878	(19,602,185,327)	31,976,289,473
Deferred tax liabilities	1,001,536,248	–	860,200,770	(148,727,793)	1,713,009,225
Total Liabilities	₱44,790,080,350	₱1,391,705,820	₱7,258,425,648	(₱19,750,913,120)	₱33,689,298,698

For the Year Ended December 31, 2023					
	Real Estate Development	Property and Hotel Management	Leasing	Intersegment Adjustments and Elimination	Consolidated
Revenue	₱10,958,124,787	₱519,968,447	₱1,293,121,807	(₱69,798,389)	₱12,701,416,652
Costs and expenses					
Cost of real estate sales and services	6,013,020,827	320,589,767	438,491,958	–	6,772,102,552
General, administrative and selling expenses	3,301,552,892	170,411,395	72,293,791	(193,525,394)	3,350,732,684
Operating income	1,643,551,068	28,967,285	782,336,058	123,727,005	2,578,581,416
Other income (expenses)					
Interest and other income	1,938,049,845	20,061,014	182,143,100	(1,313,561,903)	826,692,056
Interest and other financing charges	(797,588,377)	(1,333,104)	(419,663,190)	10,146,892	(1,208,437,779)
Income before income tax	2,784,012,536	47,695,195	544,815,968	(1,179,688,006)	2,196,835,693
Provision for income tax	238,660,963	21,379,188	149,828,429	(67,676,247)	342,192,333
Net income	₱2,545,351,573	₱26,316,007	₱394,987,539	(₱1,112,011,759)	₱1,854,643,360

As of December 31, 2023					
Segment assets	₱67,905,556,416	₱1,399,531,499	₱18,802,886,214	(₱32,770,920,249)	₱55,337,053,880
Deferred tax assets	21,470,260	16,882,410	–	10,004,509	48,357,179
Total Assets	₱67,927,026,676	₱1,416,413,909	₱18,802,886,214	(₱32,760,915,740)	₱55,385,411,059
Segment liabilities	₱45,335,383,130	₱1,391,805,271	₱6,581,816,373	(₱20,686,672,603)	₱32,622,332,171
Deferred tax liabilities	1,542,158,531	–	925,354,916	(8,772,988)	2,458,740,459
Total Liabilities	₱46,877,541,661	₱1,391,805,271	₱7,507,171,289	(₱20,695,445,591)	₱35,081,072,630



For the Year Ended December 31, 2022					
	Real Estate Development	Property Management	Leasing	Intersegment Adjustments and Elimination	Consolidated
Revenue	₱9,383,717,315	₱423,367,957	₱1,362,474,800	(₱42,913,837)	₱11,126,646,235
Costs and expenses					
Cost of real estate sales and services	5,607,263,687	268,345,792	440,815,699	—	6,316,425,178
General, administrative and selling expenses	2,818,432,222	87,384,331	62,765,293	(197,483,450)	2,771,098,396
Operating income	958,021,406	67,637,834	858,893,808	154,569,613	2,039,122,661
Other income (expenses)					
Interest and other income	1,475,139,549	110	123,109,188	(1,095,749,143)	502,499,704
Interest and other financing charges	(616,471,480)	(26,054)	(305,491,896)	4,099,913	(917,889,517)
Income before income tax	1,816,689,475	67,611,890	676,511,100	(937,079,617)	1,623,732,848
Provision for (benefit from) income tax	22,644,048	18,266,478	179,497,975	(1,434,732)	218,973,769
Net income	₱1,794,045,427	₱49,345,412	₱497,013,125	(₱935,644,885)	₱1,404,759,079

As of December 31, 2022					
Segment assets	₱61,637,813,735	₱309,294,327	₱18,793,326,549	(₱26,842,538,681)	₱53,897,895,930
Deferred tax assets	10,590,006	12,625,887	—	9,988,625	33,204,518
Total Assets	₱61,648,403,741	₱321,920,214	₱18,793,326,549	(₱26,832,550,056)	₱53,931,100,448
Segment liabilities	₱30,445,559,476	₱260,464,436	₱13,499,061,188	(₱16,608,671,445)	₱27,596,413,655
Deferred tax liabilities	1,580,595,697	—	902,645,971	58,903,251	2,542,144,919
Total Liabilities	₱32,026,155,173	₱260,464,436	₱14,401,707,159	(₱16,549,768,194)	₱30,138,558,574

32. Other Current and Noncurrent Liabilities

This account consists of:

	2024	2023
Current:		
Refundable deposits	₱31,413,201	₱59,850,396
Others	10,130,639	14,002,904
	₱41,543,840	₱73,853,300
Noncurrent:		
Liabilities to preferred share	₱946,372,777	₱948,317,210
Refundable deposits	258,560,377	575,217,471
Retention payable	35,889,882	44,862,353
Others	9,306,757	57,585,918
	₱1,250,129,793	₱1,625,982,952

Liabilities to Preferred Shareholders of a Subsidiary

The Group's liabilities to preferred shareholders of a subsidiary represent the liability portion of the proceeds from the sale of preferred shares of CALC. CALC's preferred shares are considered compound financial instruments which contain both liability and equity components. Since the preferred shares are non-redeemable and entitles the holder to a pro-rata share of assets upon liquidation, including twenty-eight (28) free nights to stay at the hotel, this financial instrument is classified as an equity instrument. However, the preferred shares establish a contractual right to a dividend [i.e., share in the net room rental revenue (NRRR)], thus, it contains a financial liability with respect to the share in the NRRR.

On June 17, 2015, CALC's preferred shares divided into Class A, Class B, Class C and Class D have been registered with SEC for public offering.



The preferred shares have the following features, rights, privileges and obligations which can be availed by the preferred shareholders upon full payment:

- a. All classes of the preferred shares are non-voting.
- b. Preferred shareholders are entitled to use and occupy, for twenty-eight (28) nights per year (the “Annual Usage Entitlement”), the rooms owned by CALC in Acqua 6 Tower of the Acqua Private Residences (upon its completion and only when such rooms are ready for occupancy), with the room class based on the class of preferred shares owned. Annual Usage Entitlements are non-cumulative.
- c. The preferred shareholders shall be entitled to a share in Net Room Rental Revenue at the rate of 40% for all of the 152 rooms to be owned by CALC. The share of a preferred shareholder in the Net Room Rental Revenue shall be payable annually or subject to the terms and conditions of optional payment term extension program availed of by a subscriber. The share of a preferred shareholder in the Net Room Rental Revenue shall be calculated based on the attributable square meters (“SQM”) corresponding to the class of preferred shares held by such preferred shareholder for every 13 preferred shares held.
- d. Net Room Rental Revenue means total revenue from rentals of all rooms less total room cost of sales. The corresponding attributable SQM of each class of shares are as follows:

Class of Preferred Shares	Corresponding Attributable SQM
Preferred A shares	8.00
Preferred B shares	11.75
Preferred C shares	19.00
Preferred D shares	21.75

- e. The preferred shareholders shall no longer participate in any dividend declaration of the Group.

The preferred shareholders shall regularly and diligently pay the fees, contributions, charges and other dues, including but not limited to the Annual Management Fee, Annual Operating Budget, Furniture, Fittings and Equipment Reserve, pertaining to the maintenance and use of the rooms to be owned by the Group.

For preferred shareholders who have not fully paid the subscription price of their preferred shares upon turn-over, the annual NRRR shall be applied quarterly as credits towards the investor's outstanding balance until the investor's outstanding balance is fully paid up.

Total liabilities to preferred shareholders of CALC presented under financial statement caption “Other noncurrent liabilities” amounted to ₱946.37 million and ₱948.32 million as of December 31, 2024 and 2023, respectively.



Movements on the liabilities on preferred shares subscriptions are as follows:

	2024	2023
Balance at January 1	₱948,317,210	₱951,925,494
Collections	17,363,823	10,280,479
Interest income (Note 24)	(21,252,690)	(11,342,261)
Interest expense (Note 25)	1,944,434	–
Returns of deposits	–	(2,546,502)
Balance at December 31	₱946,372,777	₱948,317,210

Movements of shares subscriptions and cancellation per Preferred Class are summarized in the table below.

Class of shares	Number of Shares				Total
	Preferred A shares	Preferred B shares	Preferred C shares	Preferred D shares	
Authorized shares	6,344	520	520	520	7,904
Par value in ₱	10	100	1,000	10,000	
Subscribe shares at					
December 31, 2020	6,149	481	520	247	7,397
Subscription during 2021	–	–	–	–	–
Cancellation of shares	(520)	(52)	(39)	(104)	(715)
Number of shares at					
December 31, 2021	5,629	429	481	143	6,682
Subscription during 2022	–	–	–	–	–
Cancellation of shares	(169)	(39)	(39)	–	(247)
Number of shares at					
December 31, 2022	5,460	390	442	143	6,435
Subscription during 2023	–	–	–	–	–
Cancellation of shares	(13)	–	–	–	(13)
Number of shares at					
December 31, 2023	5,447	390	442	143	6,422
Subscription during 2024	–	–	–	–	–
Cancellation of shares	(260)	(13)	(39)	–	(312)
Number of shares at					
December 31, 2024	5,187	377	403	143	6,110

Refundable Deposits

Refundable deposits pertain to utilities and meter deposits, and security deposits collected from tenants which are refundable at the end of the lease contracts. The Group received refundable deposits and security deposits classified as “Other current liabilities” amounting to ₱31.41 million and ₱59.85 million and “Other noncurrent liabilities” amounting to ₱258.56 million and ₱575.22 million as of December 31, 2024 and 2023, respectively (see Note 28).

Retention Payable

Retention payable pertains to amount of retention from the contractors’ progress billings which will be released after the completion of contractors’ project and upon acceptance of the work by the Group. The retention serves as a holdout amount withheld from the contractor to cover for back charges that may arise from quality issues in affected projects. Retention payables that will be settled beyond one year from reporting date are presented as noncurrent liabilities.



33. Contingencies

The Group is contingently liable for lawsuits or claims filed by third parties (substantially civil cases that are either pending decision by the courts or are under negotiation, the outcomes of which are not presently determinable). In the opinion of management and its legal counsels, the eventual liability under these lawsuits or claims, if any, will not have a material or adverse effect on the Group's financial position and results of operations. The information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed on the grounds that it can be expected to prejudice the outcome of these lawsuits, claims or assessments. No provisions were recognized in 2024, 2023 and 2022 with respect to the foregoing matters.

34. Notes to Consolidated Statements of Cash Flows

Below are the noncash transactions not included in the adjustments for income before tax in the consolidated statements of cash flows for the years ended December 31, 2024, 2023 and 2022:

- a. Impact of the adoption of PIC Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04) (see Note 2).
- b. Transfer of investment property to property and equipment amounting to ₱1,048.22 million in 2024 (see Notes 11 and 12)
- c. Transfer of real estate inventories to property and equipment amounting to ₱723.19 million in 2024 (see Notes 7 and 12)
- d. Amortization of deferred financing costs amounting to ₱67.24 million, ₱68.56 million and ₱113.99 million in 2024, 2023 and 2022, respectively (see Notes 17 and 19).
- e. Write off of due from related parties amounting to ₱12.83 million in 2023 (see Note 21 and 16)
- f. Transfer of property and equipment to real estate inventories amounting to ₱1,152.68 million in 2023 (see Notes 7 and Note 12)
- g. Deposit for purchased land amounting to ₱297.69 million and ₱30.16 million converted to real estate inventories in 2023 and 2022 (see Notes 7 and 9).
- h. Additions to right-of-use assets and increase in lease liabilities amounting nil, ₱27.76 million and nil in 2024, 2023 and 2022, respectively (see Note 12).
- i. Transfer from investment properties to real estate property amounting to ₱1,039.60 million in 2022 (see Notes 7 and 11).
- j. Transfer from investment properties to property and equipment amounting to ₱556.82 million in 2022 (see Notes 11 and 12).
- k. Reclassification of Deposit for Preferred Shares Subscription to non-controlling interest amounting to ₱54.18 million in 2022 (see Notes 21 and 33).
- l. Advances to landowners amounting to ₱419.23 million converted to real estate inventories in 2022 (see Notes 7 and 13).



Changes in liabilities and other accounts arising from financing activities

2024							
	Beginning of the year	Cash flows	Deferred financing cost application	Amortization of discount	Dividend declaration	Other movements	End of the year
Short-term and long-term debts	₱11,205,718,870	(₱187,404,105)	₱—	₱—	₱—	₱—	₱11,018,314,765
Bonds payable	9,000,000,000	(3,000,000,000)	—	—	—	—	6,000,000,000
Non-controlling interest	54,180,394	—	—	—	—	—	54,180,394
Due to related parties	384,097,093	(313,686,312)	—	—	—	—	70,410,781
Dividends payable	—	(576,808,840)	—	—	576,808,840	—	—
Lease liabilities	34,209,307	(15,903,926)	—	—	—	(18,305,381)	—
Liabilities to preferred shareholders of a subsidiary	948,317,211	17,363,823	—	—	—	(19,308,258)	946,372,776
Treasury shares	(3,000,000,000)	—	—	—	—	3,000,000,000	—
Preferred shares	—	1,981,350,764	(19,978,705)	—	—	—	1,961,372,059
Deferred financing costs on short-term and long-term debts and bonds payable	(184,383,663)	(57,221,386)	—	67,239,021	—	—	(174,366,028)
	₱18,442,139,211	(₱2,152,309,982)	(₱19,978,705)	₱67,239,021	₱576,808,840	₱2,962,386,361	₱19,876,284,747
2023							
	Beginning of the year	Cash flows	Deferred financing cost application	Amortization of discount	Dividend declaration	Other movements	End of the year
Short-term and long-term debts	₱11,302,396,955	(₱96,678,085)	₱—	₱—	₱—	₱—	₱11,205,718,870
Bonds payable	6,000,000,000	3,000,000,000	—	—	—	—	9,000,000,000
Non-controlling interest	2,312,344,491	(2,000,050,000)	—	—	—	(258,114,097)	54,180,394
Due to related parties	358,060,626	26,036,467	—	—	—	—	384,097,093
Dividends payable	52,980,640	(291,624,159)	—	—	241,241,410	(2,597,891)	—
Lease liabilities	27,732,190	(21,287,745)	—	—	—	27,764,862	34,209,307
Liabilities to preferred shareholders of a subsidiary	951,925,494	7,733,977	—	—	—	(11,342,261)	948,317,211
Treasury shares	—	(3,000,000,000)	—	—	—	—	(3,000,000,000)
Deferred financing costs on short-term and long-term debts and bonds payable	(143,686,180)	(109,255,420)	—	68,557,937	—	—	(184,383,663)
	₱20,861,754,216	(₱2,485,124,965)	₱—	₱68,557,937	₱241,241,410	(₱244,289,387)	₱18,442,139,211
2022							
	Beginning of the year	Cash flows	Deferred financing cost application	Amortization of discount	Dividend declaration	Other movements	End of the year
Short-term and long-term debts	₱12,395,034,272	(₱1,092,637,317)	₱—	₱—	₱—	₱—	₱11,302,396,955
Bonds payable	6,000,000,000	—	—	—	—	—	6,000,000,000
Non-controlling interest	1,630,172,289	120,000,000	—	—	—	562,172,202	2,312,344,491
Due to related parties	317,358,734	40,701,892	—	—	—	—	358,060,626
Dividends payable	52,980,640	(201,531,000)	—	—	201,531,000	—	52,980,640
Lease liabilities	57,139,963	(29,407,773)	—	—	—	—	27,732,190
Liabilities to preferred shareholders of a subsidiary	1,036,353,927	(30,248,038)	—	—	—	(54,180,395)	951,925,494
Deferred financing costs on short-term and long-term debts and bonds payable	(140,871,410)	(116,804,806)	—	113,990,036	—	—	(143,686,180)
	₱21,348,168,415	(₱1,309,927,042)	₱—	₱113,990,036	₱201,531,000	₱507,991,807	₱20,861,754,216



35. Events After the Reporting Date

Declaration of Dividends on CPGPB Preferred Shares

On January 21, 2025, the BOD of CPGI approved the following dividend declaration:

	Date of Declaration	Total Amount of Dividends	Dividends per share/ Dividend rate	Shares Record Date	Date of Payment
<i>Dividend for:</i>					
Preferred Shares	January 21, 2025	₱37,716,000	7.5432%	February 5, 2025	February 24, 2025
Preferred Shares	January 21, 2025	37,716,000	7.5432%	April 25, 2025	May 22, 2025
Preferred Shares	January 21, 2025	37,716,000	7.5432%	July 28, 2025	August 22, 2025
Preferred Shares	January 21, 2025	37,716,000	7.5432%	October 28, 2025	November 24, 2025
		₱150,864,000			



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Century Properties Group Inc.
35F Century Diamond Tower, Century City
Kalayaan Ave. cor Salamanca St.
Poblacion, Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Century Properties Group Inc. and its subsidiaries (the Group) as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated March 27, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Ma. Emilita L. Villanueva

Ma. Emilita L. Villanueva

Partner

CPA Certificate No. 95198

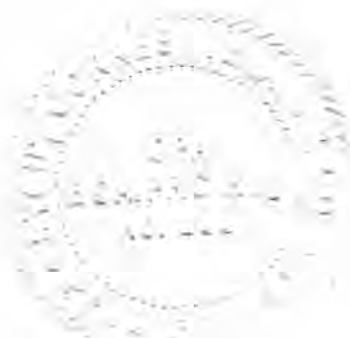
Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-159-2024, October 2, 2024, valid until October 1, 2027

PTR No. 10465405, January 2, 2025, Makati City

March 27, 2025



**INDEPENDENT AUDITOR'S REPORT
ON THE SCHEDULE OF RECONCILIATION OF
RETAINED EARNINGS AVAILABLE
FOR DIVIDEND DECLARATION**

The Stockholders and the Board of Directors
Century Properties Group Inc.
35F Century Diamond Tower, Century City
Kalayaan Ave. cor Salamanca St.
Poblacion, Makati City

We have audited in accordance with Philippine Standard on Auditing, the consolidated financial statements of Century Properties Group Inc. and its subsidiaries (the Group) as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated March 27, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as whole. The accompanying Schedule of Reconciliation of Retained Earnings Available for Dividend Declaration is the responsibility of the Group's management. The schedule is presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and is not part of the basic consolidated financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Ma. Emilita L. Villanueva

Ma. Emilita L. Villanueva

Partner

CPA Certificate No. 95198

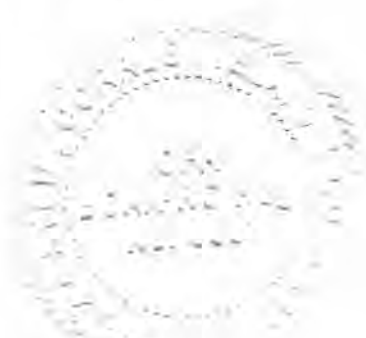
Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-159-2024, October 2, 2024, valid until October 1, 2027

PTR No. 10465405, January 2, 2025, Makati City

March 27, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Century Properties Group Inc.
35/F Century Diamond Tower, Century City
Kalayaan Ave. cor Salamanca St.
Poblacion, Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Century Properties Group Inc. and its subsidiaries (the Group) as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated March 27, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, is the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards, and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Ma. Emilita L. Villanueva

Ma. Emilita L. Villanueva

Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-159-2024, October 2, 2024, valid until October 1, 2027

PTR No. 10465405, January 2, 2025, Makati City

March 27, 2025



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C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
D	Intangible Assets - Other Assets
E	Long-Term Debt and Bonds Payable
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I	Schedule of Retained Earnings Available for Dividend Declaration
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L	Schedule of Bonds Proceeds
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SCHEDULE A**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF FINANCIAL ASSETS****DECEMBER 31, 2024**

	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet	Income received or accrued
Cash and cash equivalents	P—	₱4,175,107,957	₱150,806,285
Short-term investments		5,195,169	174,220
Receivables			
Trade receivables:			
ICR	—	11,401,069,154	103,745,358
Leasing receivables	—	194,633,767	—
Management fee	—	261,918,483	—
Advances to condominium corporations	—	71,145,842	—
Advances to customers	—	122,766,331	—
Other receivables	—	176,380,481	—
Due from related parties	—	1,357,799,701	—
Rental deposit	—	90,036,776	—
	P—	₱17,856,053,661	₱254,725,863

SCHEDULE B**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM
DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES, AND
PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)
DECEMBER 31, 2024**

Name and Designation of debtor	Balance at beginning of period	Additions	Amounts collected	Current	Not Current	Balance at the end of the period
Officers, Directors and Employees	₱9,130,492	₱5,521,580	(₱5,910,053)	₱8,742,019	₱–	₱8,742,019

SCHEDULE C

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

**SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM
RELATED PARTIES WHICH ARE ELIMINATED DURING THE
CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2024**

	Receivable Balance	Payable Balance	Current Portion
CPGI	11,440,763,837	(2,795,093,097)	8,645,670,740
CLC	639,818,469	(7,868,663,295)	(7,228,844,826)
PPHI	769,180,006	(198,003,980)	571,176,026
CCDC	4,766,282,743	(5,239,311,483)	(473,028,740)
CCC	50,000	(1,276,985,196)	(1,276,935,196)
CPMI	47,633,950	(31,786,765)	15,847,185
CDLC	—	(253,885,189)	(253,885,189)
Total Eliminated Receivables/Payables	₱17,663,729,005	(₱17,663,729,005)	₱—

SCHEDULE D**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF INTANGIBLE ASSETS - OTHER ASSETS
DECEMBER 31, 2024**

Description	Beginning Balance	Additions at cost	Charged to cost and expenses	Charged to other accounts	Other changes additions (deductions)	Ending Balance
Trademark	₱3,024,289	₱—	₱—	₱—	₱—	₱3,024,289
Software						
Cost	40,286,882	11,424,498	(11,749,346)	—	—	39,962,034
	₱43,311,171	₱11,424,498	(₱11,749,346)	₱—	₱—	₱42,986,323

SCHEDULE E**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**

SUPPLEMENTARY SCHEDULE OF LONG-TERM DEBT

AND BONDS PAYABLE
DECEMBER 31, 2024

Long-term Debt and Bonds Payable

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current Liabilities" in related balance sheet	Amount shown under caption "Noncurrent Liabilities" in related balance sheet
Term Loan	₱9,262,264,630	₱878,466,346	₱8,383,798,284
Payable under CTS			
financing	711,402,087	385,798,293	325,603,794
Bonds payable	5,907,403,193	—	5,907,403,193
	₱15,881,069,910	₱1,264,264,639	₱14,616,805,271

SCHEDULE F

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2024

Indebtedness to related parties (Long-term loans from Related Companies)		
Name of related party	Balance at beginning of period	Balance at end of period
N/A		

SCHEDULE G**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF GUARANTEES OF SECURITIES OF
OTHER ISSUERS****DECEMBER 31, 2024**

Guarantees of Securities of Other Issuers				
Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is file	Nature of guarantee
N/A				

SCHEDULE H**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF CAPITAL STOCK****DECEMBER 31, 2024**

Capital Stock						
Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common Stock*	15,000,000,000	11,599,600,690	—	—	9	—
Preferred Stock	3,000,000,000	20,000,000	—	—	—	—

**All nine (9) directors have one (1) nominal common shares issued*

SCHEDULE I

CENTURY PROPERTIES GROUP INC.

**RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR
DIVIDEND DECLARATION
DECEMBER 31, 2024**

Unappropriated Retained Earnings, beginning of reporting period		(₱2,766,148,044)
Add:	Category A: Items that are directly credited to Unappropriated Retained Earnings	
	Reversal of Retained Earnings Appropriation/s	₱-
	Effect of restatements of prior-period adjustments	-
	Others (describe nature)	-
		-
Less:	Category B: Items that are directly debited to Unappropriated Retained Earnings	
	Dividend declaration during the reporting period	(576,808,840)
	Retained Earnings appropriated during the reporting period	-
	Other (describe nature)	-
		-
		(576,808,840)
Unappropriated Retained Earnings, as adjusted		(₱3,342,956,884)
Add/Less: Net Income (loss) for the current year		₱1,003,479,596
Less:	Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)	
	Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	₱-
	Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss	-
	Unrealized fair value gain of Investment Property	-
	Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-
Sub-total		₱-
Add:	Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	
	Realized foreign exchange gain, except those attributable to Cash and cash equivalents	₱-
	Realized fair value adjustment (market-market gains) of financial instruments at fair value through profit or loss	-
	Realized fair value gain of Investment Property	-
	Other realized gains or adjustment to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-
Sub-total		₱-

(Forward)

Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	₱-	
Reversal of previously recorded fair value gain of Investment Property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	-	
Sub-total	₱-	
Adjusted Net Income/Loss		1,003,479,596
Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	₱-	
Sub-total	₱-	
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	₱-	
Total amount of reporting relief granted during the year	-	
Others (describe nature)	-	
Sub-total	₱-	
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividend distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	₱3,000,000,000	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g. set up of right of use of the asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
Others (describe nature)	-	
Sub-total	₱3,000,000,000	
		3,000,000,000
Total Retained Earnings, end of the reporting period available for dividend		₱660,522,712

SCHEDULE J

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

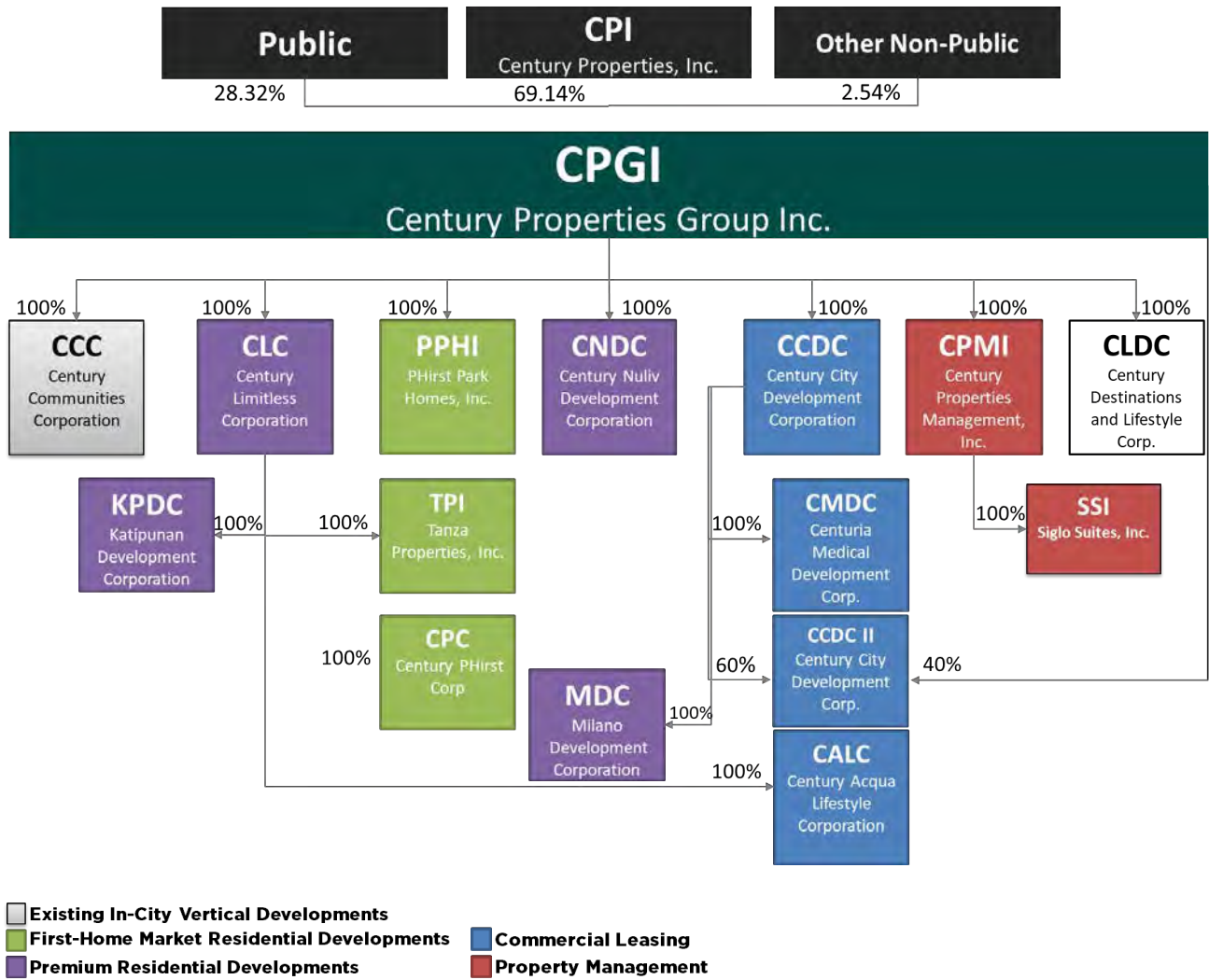
SCHEDULE OF FINANCIAL RATIOS

DECEMBER 31, 2024

Financial ratios	December 31, 2024	December 31, 2023
Current/Liquidity Ratios		
Current Assets	37,777,582,124	37,948,003,526
Current Liabilities	15,808,673,105	18,311,592,815
Current Ratios	2.4	2.1
Current Assets	37,777,582,124	37,948,003,526
Inventory	17,194,279,164	18,832,235,203
Quick Assets	20,583,302,960	19,115,768,323
Current Liabilities	15,808,673,105	18,311,592,815
Quick Ratios	1.3	1.0
Total Assets	55,869,859,949	55,385,411,059
Total Liabilities	33,689,298,698	35,081,072,630
Solvency Ratio	1.7	1.6
Financial Leverage Ratio		
Debt	16,843,948,737	20,021,335,207
Total Assets	55,869,859,949	55,385,411,059
Debt to Asset Ratio	0.3	0.4
Liabilities and Debt Ratios		
Short-term debt	962,878,827	791,664,471
Long-term debt - Current	1,264,264,639	3,851,897,104
Long-term debt - non-current	8,709,402,078	6,500,336,528
Bonds payable	5,907,403,193	8,877,437,104
Debt	16,843,948,737	20,021,335,207
Equity	22,180,561,251	20,304,338,429
Debt-to-Equity	0.8	1.0
Debt	16,843,948,737	20,021,335,207
Cash and Cash Equivalents	4,175,107,957	3,543,351,959
Net Debt	12,668,840,780	16,477,983,248
Equity	22,180,561,251	20,304,338,429
Net Debt-to-Equity	0.6	0.8
Debt	16,843,948,737	20,021,335,207
EBITDA	4,355,997,915	3,367,875,397
Debt-to-EBITDA	3.9	5.9
Income before Income Tax	2,839,748,948	2,196,835,699
Interest expense	1,357,473,731	1,089,163,808
Depreciation and amortization	158,775,236	81,875,890
EBITDA	4,355,997,915	3,367,875,397

Financial ratios	December 31, 2024	December 31, 2023
Income before Income Tax	2,839,748,948	2,196,835,699
Interest expense	1,357,473,731	1,089,163,808
EBIT	4,197,222,679	3,285,999,507
Interest expense	1,357,473,731	1,089,163,808
Interest Coverage Ratio	3.1	3.0
Asset to Equity Ratios		
Total Assets	55,869,859,949	55,385,411,059
Total Equity	22,180,561,251	20,304,338,429
Asset to Equity Ratio	2.5	2.7
Liabilities to Equity Ratios		
Total Liabilities	33,689,298,698	35,081,072,630
Total Equity	22,180,561,251	20,304,338,429
Liabilities to Equity Ratio	1.5	1.7
Profitability ratios		
Revenue	14,640,267,285	12,701,416,652
Gross Profit	7,074,189,770	5,929,314,100
Gross Profit Ratio	48%	47%
Net Income Attributable to Equity holders of the Parent Company		
Revenue	2,442,531,320	1,321,395,611
Net Income Margin	16.7%	10.10%
Total Net Income after tax		
Total Net Income after tax	2,442,531,320	1,854,643,366
Total Asset CY	55,869,859,949	55,385,411,059
Total Asset PY	55,385,411,059	53,931,100,448
Average total asset	55,627,635,504	54,658,255,754
Return on Asset	4.4%	3.4%
Total Net Income after tax		
Total Net Income after tax	2,442,531,320	1,854,643,366
Total Equity CY	22,180,561,251	20,304,338,429
Total Equity PY	20,304,338,429	23,792,541,874
Average total equity	21,242,449,840	22,048,440,152
Return on Equity	11.5%	8.4%
Net Income		
Net Income	2,442,531,320	1,854,643,366
Revenue	14,640,267,285	12,701,416,652
Net Income Margin	16.7%	14.6%

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE
COMPANIES IN THE GROUP, ITS ULTIMATE PARENT COMPANY AND CO-
SUBSIDIARIES
DECEMBER 31, 2024



Century Properties Group Inc. (CPGI) – incorporated in May 6, 1975, CPGI is the listed Company of CPI with property development corporations as subsidiaries.

CPGI Subsidiaries

Century City Development Corporation (CCDC) – incorporated in 2006, is focused on developing mixed-use communities that contain residences, office and retail properties. CCDC

is currently developing Century City, a 3.4 hectare mixed-use development along Kalayaan Avenue, Makati City. CCDC has fourteen local subsidiaries.

Milano Development Corporation (MDC) & Centuria Medical Development Corporation (CMDC) – is a wholly owned subsidiary of CCDC. Affiliated company under CCDC includes CCDC II which is 60% owned by CCDC and 40% owned by CPGI.

Century Communities Corporation – incorporated in 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 is currently developing Canyon Ranch, a 25-hectare house and lot development located in Carmona, Cavite. 100% owned by CPGI.

Century Limitless Corporation (CLC) – incorporated in 2008, is Century's brand category that focuses on developing high-quality, affordable residential projects. Projects under CLC caters to first-time home buyers, start-up families and investors seeking safe, secure and convenient homes. It has one internal branch office in Singapore namely CLC Singapore. CLC is 100% owned by CPGI.

Phirst Park Homes, Inc. (PPHI) – incorporated in 2018, is the new First-Home brand of PHirst Park Homes Incorporated. It focuses in developing affordable horizontal house and lot development, it aims to promote a balanced life that enhances one's way of living and overall value where they and their families can thrive in a safe and secured environment. PPHI is 100% owned by CPGI.

Century Nuliv Development Corporation (CNDC) – incorporated in 2020, is Century's newest brand category which will focus on building townhouses and other low-rise structures while focusing on sustainability, health and wellness. Projects under CNDC offers homes which come in a range of choices: upscale and premium town villas, homes and enclaves. CNDC is 100% owned by CPGI. On September 2, 2024, the Board of Directors (BOD) and stockholders of CNDC approved a plan of liquidation and cessation of operations effective October 31, 2025. On November 8, 2024, CNDC has received the approval of the Philippine SEC on the amendment on fourth article of the Articles of Incorporation of CNDC shortening its corporate life until October 31, 2025. As of date of approval for issuance of the FS, CNDC has not yet received the approval for its dissolution from the Bureau of Internal Revenue.

SCHEDULE L**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SCHEDULE OF BONDS PROCEEDS****DECEMBER 31, 2024****₱3.0 BILLION BONDS DUE ON 2027**

Use of Proceeds	ESTIMATED PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of Bonds	₱3,000,000,000	₱3,000,000,000
Less: Upfront fees		
SEC registration and legal research fee	1,325,625	1,325,625
Underwriting fees	22,500,000	22,500,000
DST	22,500,000	22,500,000
Estimated Professional and Agency Fees	9,343,100	23,436,549
Listing application fees	100,000	100,000
Other Miscellaneous expense	50,000	44,837
Subtotal	₱55,818,725	₱69,907,011
Net proceeds	₱2,944,181,275	₱2,930,092,989

Balance of Proceeds as of December 31, 2024**NIL**

Century Properties Group, Inc. raised from the Bonds gross proceeds of ₱3.00 billion. After issue-related expenses, actual net proceeds amounted to approximately ₱2.93 billion were used to partially repay existing obligations of the Company, and partially finance capital expenditures of vertical project development and other corporate fund requirements.

SCHEDULE M

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

SCHEDULE OF BONDS PROCEEDS

December 31, 2024

₱3.0 BILLION BONDS

- ₱0.7 billion due on 2027
- ₱1.3 billion due on 2028
- ₱1.0 billion due on 2030

Use of Proceeds	ESTIMATED PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of Bonds	₱3,000,000,000	₱3,000,000,000
Less: Upfront fees		
SEC registration and legal research fee	757,530	757,530
Underwriting fees	22,500,000	22,500,000
DST	22,500,000	22,500,000
Estimated Professional and Agency Fees	9,683,000	7,526,920
Listing application fees	300,000	300,000
Other Miscellaneous expense	50,000	50,000
Subtotal	₱55,790,530	₱53,634,450
Net proceeds	₱2,944,209,470	₱2,946,365,550

Balance of Proceeds as of December 31, 2024

NIL

SCHEDULE N**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****USE OF PROCEEDS FROM THE OFFER OF SERIES B PREFERRED SHARES****December 31, 2024**

Use of Proceeds	As of December 31, 2024	
Net proceeds from the sale of Preferred Shares		₱2,000,000,000
Less: Offer-related Expenses		
Underwriting fees	27,392,063	
DST	106,000	
SEC registration and legal research fee	1,830,655	
PSE Filing fee (inclusive of VAT)	5,600,000	
Legal fees (excluding OPE)	4,563,285	
Stock Transfer and Receiving Agent fee	728,000	
Insurance Commission processing fee	10,100	
Audit fees	3,900,000	
Other miscellaneous expenses (signing, publicity, etc.)	774,479	44,904,582
Net proceeds from the Offer		1,955,095,418
Less: Payment of the principal amount of CPGI's Fixed Rate3-Year Bonds with coupon rate of 4.8467% issued on March 1, 2021		1,955,095,418
Unused Net Proceeds		₱—

Balance of Proceeds as of December 31, 2024**NIL**

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED
INFORMATION****For the Years Ended December 31, 2024 and 2023**

	2024	2023
Total Audit Fees¹	₱6,644,000	₱5,209,360
Non-audit Services²		
Other Assurance Services	1,953,050	1,953,050
Tax Services	—	—
All Other Services	120,000	—
Total Non-audited Services Fees	2,073,050	1,953,050
TOTAL	₱8,717,050	₱7,162,410

Amounts are exclusive of VAT and out of pocket expenses

¹ *Agreed audit fees*² *Billed for the years ended December 31, 2024 and 2023*

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

0	0	0	0	0	6	0	5	6	6

COMPANY NAME

C	E	N	T	U	R	Y		P	R	O	P	E	R	T	I	E	S		G	R	O	U	P		I	N	C	.	
A	N	D		S	U	B	S	I	D	I	A	R	I	E	S														

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

3	5	/	F		C	E	N	T	U	R	Y		D	I	A	M	O	N	D		T	O	W	E	R	,		C	E
N	T	U	R	Y		C	I	T	Y	,		K	A	L	A	Y	A	A	N		A	V	E	.		C	O	R	.
S	A	L	A	M	A	N	C	A		S	T	.	,		P	O	B	L	A	C	I	O	N	,		M	A	K	A
T	I		C	I	T	Y																							

Form Type

A	A	F	S

Department requiring the report

S	E	C

Secondary License Type, If Applicable

N	/	A

COMPANY INFORMATION

Company's Email Address

cpgi@century-properties.com

Company's Telephone Number

(02)7793-5526

Mobile Number

N/A

No. of Stockholders

496

Annual Meeting (Month / Day)

6/27

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Isabelita C. Sales

Email Address

cpgi@century-properties.com

Telephone Number/s

N/A

Mobile Number

09955734010

CONTACT PERSON'S ADDRESS

35/F Century Diamond Tower, Century City, Kalayaan Avenue, cor. Salamanca St.,
Poblacion Makati City

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

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



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

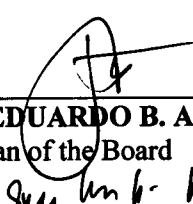
The management of **Century Properties Group Inc. and Subsidiaries** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein for the years ended December 31, 2023, 2022 and 2021, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

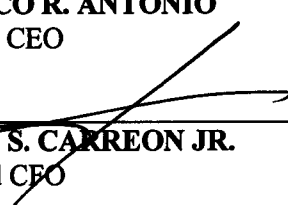
The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.


JOSE EDUARDO B. ANTONIO
Chairman of the Board

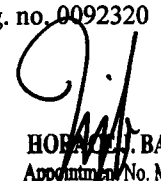
JOSE MARCO R. ANTONIO
President and CEO


PONCIANO S. CARREON JR.
Treasurer and CEO

SUBSCRIBED AND SWORN to before me this APR 08 2024 day of 20 affiants exhibiting to me their competent evidence of identity, as follows:

Name	Competent Evidence of Identity	Expiry Date	Place Issued
Jose Eduardo B. Antonio	OSCA No. 94590	-	-
Jose Marco R. Antonio	Passport no. P2695556B	31-Jul-29	DFA, Manila
Ponciano S. Carreon Jr.	PRC Reg. no. 0092320	26-Jan-25	-

Doc. No. 30 :
Page No. 7 :
Book No. 1 :
Series of 2024


HOBART J. BAGO
Appointment No. M-282
Notary Public for Makati City
Until December 2025
23rd Floor Century Diamond Tower, Century City
Kalayaan Avenue cor., Salamanca Street,
Barangay Poblacion Makati City
Roll of Attorneys No. 63670
IBP No. Lifetime Member No. 013489
PTR No. 10109462MN, 01.26.2024/ Makati City
MCLE Compliance No. VII-0021291 valid until April 14, 2025.

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Century Properties Group Inc.
35/F Century Diamond Tower, Century City
Kalayaan Ave. cor. Salamanca St.
Poblacion, Makati City

Opinion

We have audited the consolidated financial statements of Century Properties Group Inc. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2023 and 2022, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2023, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group as at December 31, 2023 and 2022, and for each of the three years in the period ended December 31, 2023 are prepared in all material respects, in accordance with the Philippine Financial Reporting Standards (PFRSs), as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission (SEC), as described in Note 2 to the consolidated financial statements.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 2 to the consolidated financial statements which indicates that the consolidated financial statements have been prepared in accordance with PFRSs, as modified by the application of the financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic. The impact of the application of the financial reporting reliefs on the 2023 consolidated financial statements are discussed in detail in Note 2. Our opinion is not modified in respect of this matter.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Real Estate Revenue Recognition

The Group's revenue recognition process, policies and procedures is significant to our audit because this involves the application of significant judgment and estimation in the following areas: (1) assessment of the probability that the Group will be able to collect the consideration from the buyer; and (2) application of the output method as the measure of progress of project completion in determining real estate sales.

In evaluating whether collectability of the amount of consideration is probable, the Group considers the significance of the buyer's initial payments in relation to the total contract price (or buyer's equity). Collectability is assessed by considering factors such as history with the buyer, and age and pricing of the property. Management regularly evaluates the history of sales cancellations and back-outs, if it would still support its current threshold of the buyer's equity before commencing revenue recognition.

In measuring the progress of its performance obligation over time, the Group uses the output method. This method measures progress based on physical proportion of work done which requires technical determination by management's specialists (third-party project managers). This is based on the monthly project accomplishment report prepared by the third-party project managers as approved by the construction manager which integrates the surveys of performance to date of the construction activities.

The disclosures related to real estate revenue are included in Note 30 to the consolidated financial statements.



Audit Response

We obtained an understanding of the Group's revenue recognition process, policies and procedures.

For the buyer's equity, we evaluated management's basis of the buyer's equity by comparing this to the historical analysis of sales cancellation from buyers with accumulated payments above the collection threshold. We traced the analysis to supporting documents such as the buyer's collection reports, cancellation notices and official receipts.

For the application of the output method in determining real estate revenue, we obtained an understanding of the Group's processes for determining the percentage of completion (POC). We inspected the certified POC reports prepared by the third-party project managers and assessed their competence, capabilities and objectivity by reference to their qualifications, experience and reporting responsibilities. For selected projects, we conducted ocular inspections, made relevant inquiries, and obtained the supporting details of POC reports showing the completion of the major activities of the project construction.

Valuation of Investment Properties at Fair Value

The Group accounts for its investment properties using the fair value model. Investment properties consist of land and buildings leased out to tenants and represent 22% of consolidated assets of the Group as at December 31, 2023. The determination of the fair values of these investment properties involves significant management judgment and estimations. The valuation also requires the assistance of an external appraiser whose calculations also depend on certain assumptions such as market rent levels, expected vacancy, discount rates and expected maintenance. Thus, we considered the valuation of investment properties at fair value as a key audit matter.

The disclosures relating to investment properties are included in Note 11 to the consolidated financial statements.

Audit Response

We evaluated the competence, capabilities and objectivity of the external appraiser by considering their qualifications, experience and reporting responsibilities. We involved our internal specialist in the evaluation of the methodology and assumptions used in the valuation of the investment properties. We assessed the methodology adopted by referencing common valuation models and compared the inputs and assumptions used against internal and external evidence such as lease contracts, historical vacancy rates, historical maintenance costs, and published market data.



Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2023, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2023 are expected to be made available to us after the date of this auditor's report.

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRSs, as modified by the application of financial reporting reliefs issued and approved by the SEC as described in Note 2 to the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in accordance with PFRSs, as modified by the application of financial reporting reliefs issued and approved by the SEC, as described in Note 2 to the consolidated financial statements.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.



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

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

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

The engagement partner on the audit resulting in this independent auditor's report is
Ma. Emilita L. Villanueva.

SYCIP GORRES VELAYO & CO.



Ma. Emilita L. Villanueva

Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

BIR Accreditation No. 08-001998-141-2021, November 10, 2021, valid until November 9, 2024

PTR No. 10082036, January 6, 2024, Makati City

April 4, 2024



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2023	2022
ASSET		
Current Assets		
Cash and cash equivalents (Note 4)	₱3,543,351,959	₱4,130,877,582
Short-term investments (Note 5)	18,258,017	36,786,565
Receivables (Note 6)	10,646,177,087	9,845,284,321
Real estate inventories (Note 7)	18,832,235,203	17,723,397,564
Due from related parties (Note 16)	1,566,243,753	975,322,703
Advances to suppliers and contractors (Note 8)	1,661,845,890	1,749,972,375
Other current assets (Note 13)	1,679,891,616	1,642,042,968
Total Current Assets	37,948,003,525	36,103,684,078
Noncurrent Assets		
Noncurrent portion of installment contracts receivable (ICR; Notes 3 and 6)	1,268,850,078	109,043,517
Deposits for purchased land (Note 9)	1,116,792,505	1,409,481,407
Investments in and advances to joint ventures and an associate (Note 10)	277,323,170	275,367,104
Investment properties (Note 11)	12,421,909,090	12,394,980,010
Property and equipment (Note 12)	1,372,757,159	2,484,315,465
Deferred tax assets - net (Note 27)	48,357,179	33,204,518
Other noncurrent assets (Note 13)	931,418,353	1,121,024,349
Total Noncurrent Assets	17,437,407,534	17,827,416,370
TOTAL ASSETS	₱55,385,411,059	₱53,931,100,448
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Note 14)	₱6,219,565,272	₱4,994,692,908
Contract liabilities (Note 15)	3,873,075,605	2,769,098,151
Due to related parties (Note 16)	384,097,093	358,060,626
Short-term debt (Note 17)	791,664,471	235,141,310
Current portion of:		
Long-term debt (Note 17)	3,851,897,104	2,192,453,618
Liabilities from purchased land (Note 18)	49,484,077	67,200,000
Lease liabilities (Note 28)	17,374,825	15,434,671
Bonds payable (Note 19)	3,000,000,000	–
Income tax payable	50,581,068	68,577,371
Other current liabilities (Notes 28 and 32)	73,853,300	68,161,473
Total Current Liabilities	18,311,592,815	10,768,820,128
Noncurrent Liabilities		
Noncurrent portions of:		
Long-term debt (Note 17)	6,500,336,528	8,813,861,924
Bonds payable (Note 19)	5,877,437,104	5,917,253,923
Liabilities from purchased land (Note 18)	–	63,782,533
Lease liabilities (Note 28)	16,834,482	12,297,519

(Forward)



	December 31	
	2023	2022
Pension liabilities (Note 26)	₱290,148,290	₱231,186,468
Deferred tax liabilities - net (Note 27)	2,458,740,459	2,542,144,918
Other noncurrent liabilities (Notes 28 and 32)	1,625,982,952	1,789,211,161
Total Noncurrent Liabilities	16,769,479,815	19,369,738,446
Total Liabilities	35,081,072,630	30,138,558,574
Equity (Note 20)		
Common stock - ₱0.53 par value		
Authorized - 15,000,000,000 shares		
Issued - 11,699,723,690 shares	6,200,853,553	6,200,853,553
Preferred stock - ₱0.53 par value		
Authorized - 3,000,000,000 shares		
Issued - 30,000,000 shares	15,900,000	15,900,000
Additional paid-in capital	5,524,776,889	5,524,776,889
Treasury shares - 100,123,000 common shares and 30,000,000 preferred shares in 2023 and 100,123,000 common shares in 2022 (Note 20)	(3,109,674,749)	(109,674,749)
Retained earnings	11,594,253,030	10,514,098,828
Remeasurement gain (loss) on defined benefit plan	(4,107,070)	17,440,823
Other components of equity	28,156,382	(683,197,961)
Total Equity Attributable to Equity Holders of the Parent Company	20,250,158,035	21,480,197,383
Non-controlling Interest (Note 20)	54,180,394	2,312,344,491
Total Equity	20,304,338,429	23,792,541,874
TOTAL LIABILITIES AND EQUITY	₱55,385,411,059	₱53,931,100,448

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2023	2022	2021
REVENUES			
Revenue from contracts with customers:			
Real estate sales (Note 30)	₱10,794,577,508	₱9,231,484,879	₱7,664,401,653
Property management fee, hotel, and other services (Notes 23 and 30)	519,968,447	423,367,957	400,011,317
Leasing revenue (Notes 11 and 28)	1,293,121,807	1,362,474,800	1,200,366,601
Interest income from real estate sales (Note 6)	93,748,890	109,318,599	180,116,059
	12,701,416,652	11,126,646,235	9,444,895,630
COSTS			
Cost of real estate sales (Note 7)	6,013,020,827	5,607,263,687	4,808,420,850
Cost of leasing (Note 11)	438,491,958	440,815,699	352,043,445
Cost of services (Note 23)	320,589,767	268,345,792	272,728,398
	6,772,102,552	6,316,425,178	5,433,192,693
GROSS PROFIT	5,929,314,100	4,810,221,057	4,011,702,937
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES (Note 21)	3,350,732,684	2,771,098,396	2,692,905,068
OTHER INCOME (EXPENSES) – net			
Interest income and others (Note 24)	798,179,349	469,275,355	397,550,153
Gain from change in fair value of investment properties (Note 11)	26,929,080	28,245,738	225,495,620
Foreign exchange gain (loss)	(372,439)	1,060,911	3,210,517
Share in net earnings of joint ventures and an associate (Note 10)	1,956,066	3,917,700	8,944,200
Interest and other financing charges (Note 25)	(1,208,437,779)	(917,889,517)	(894,592,075)
	(381,745,723)	(415,389,813)	(259,391,585)
INCOME BEFORE INCOME TAX	2,196,835,693	1,623,732,848	1,059,406,284
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 27)	342,192,333	218,973,769	(209,699,864)
NET INCOME	1,854,643,360	1,404,759,079	1,269,106,148
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>			
Remeasurement gain (loss) on defined benefit plan - net of deferred tax (Note 26)	(21,547,893)	64,468,759	75,994,161
Net change in fair value of equity instruments at fair value through OCI	—	—	(352,783)
TOTAL COMPREHENSIVE INCOME	₱1,833,095,467	₱1,469,227,838	₱1,344,747,526
Net income attributable to:			
Equity holders of the Parent Company (Note 20)	₱1,321,395,610	₱901,290,468	₱950,750,431
Non-controlling interest (Note 20)	533,247,750	503,468,611	318,355,717
	₱1,854,643,360	₱1,404,759,079	₱1,269,106,148
Total comprehensive income attributable to:			
Equity holders of the Parent Company (Note 20)	₱1,299,847,717	₱961,236,032	₱1,026,391,809
Non-controlling interest (Note 20)	533,247,750	507,991,806	318,355,717
	₱1,833,095,467	₱1,469,227,838	₱1,344,747,526
Basic/diluted earnings per share (Note 20)	₱0.11	₱0.060	₱0.065

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

Total Equity Attributable to Equity Holders of the Parent Company (Note 20)

	Common Stock	Preferred Stock	Additional Paid-in Capital	Treasury Shares	Retained Earnings	Remeasurement Gain (Loss) on Defined Benefit Plan	Other Components of Equity	Total	Non-controlling Interest	Total
At January 1, 2023	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	₱10,514,098,828	₱17,440,823	(₱683,197,961)	₱21,480,197,383	₱2,312,344,491	₱23,792,541,874
Net income	–	–	–	–	1,321,395,610	–	–	1,321,395,610	533,247,750	1,854,643,360
Other comprehensive loss (Note 26)	–	–	–	–	–	(21,547,893)	–	(21,547,893)	–	(21,547,893)
Total comprehensive income	–	–	–	–	1,321,395,610	(21,547,893)	–	1,299,847,717	533,247,750	1,833,095,467
Cash dividends (Note 20)	–	–	–	–	(241,241,408)	–	–	(241,241,408)	(500,000,000)	(741,241,408)
Redemption of preferred shares (Note 20)	–	–	–	(3,000,000,000)	–	–	–	(3,000,000,000)	–	(3,000,000,000)
Acquisition of non-controlling interest (Note 20)	–	–	–	–	–	–	711,354,343	711,354,343	(2,291,411,847)	(1,580,057,504)
At December 31, 2023	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱3,109,674,749)	₱11,594,253,030	(₱4,107,070)	₱28,156,382	₱20,250,158,035	₱54,180,394	₱20,304,338,429
At January 1, 2022	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	₱9,814,339,360	(₱42,504,741)	(₱683,197,961)	₱20,720,492,351	₱1,630,172,290	₱22,350,664,641
Net income	–	–	–	–	901,290,468	–	–	901,290,468	503,468,611	1,404,759,079
Other comprehensive income (Note 26)	–	–	–	–	–	59,945,564	–	59,945,564	4,523,195	64,468,759
Total comprehensive income	–	–	–	–	901,290,468	59,945,564	–	961,236,032	507,991,806	1,469,227,838
Cash dividends (Note 20)	–	–	–	–	(201,531,000)	–	–	(201,531,000)	(200,000,000)	(401,531,000)
Additional investment by non-controlling interest (Note 20)	–	–	–	–	–	–	–	–	374,180,395	374,180,395
At December 31, 2022	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	₱10,514,098,828	₱17,440,823	(₱683,197,961)	₱21,480,197,383	₱2,312,344,491	₱23,792,541,874
At January 1, 2021	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	₱9,028,945,474	(₱118,498,902)	(₱682,845,178)	₱19,859,457,087	₱1,271,816,573	₱21,131,273,660
Net income	–	–	–	–	950,750,431	–	–	950,750,431	318,355,717	1,269,106,148
Other comprehensive income (loss) (Note 26)	–	–	–	–	–	75,994,161	(352,783)	75,641,378	–	75,641,378
Total comprehensive income	–	–	–	–	950,750,431	75,994,161	(352,783)	1,026,391,809	318,355,717	1,344,747,526
Cash dividends (Note 20)	–	–	–	–	(165,356,545)	–	–	(165,356,545)	(160,000,000)	(325,356,545)
Acquisition of non-controlling interest (Note 20)	–	–	–	–	–	–	–	–	200,000,000	200,000,000
At December 31, 2021	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	₱9,814,339,360	(₱42,504,741)	(₱683,197,961)	₱20,720,492,351	₱1,630,172,290	₱22,350,664,641

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱2,196,835,692	₱1,623,732,848	₱1,059,406,284
Adjustments for:			
Interest and other financing charges (Note 25)	1,208,437,780	917,889,517	894,592,075
Depreciation and amortization (Notes 12, 13 and 21)	81,875,890	55,993,463	67,580,015
Retirement expense (Note 26)	43,196,004	47,016,562	50,112,456
Interest income (Notes 4, 5, 6 and 24)	(250,456,764)	(162,524,367)	(220,318,454)
Gain from change in fair value of investment properties (Note 11)	(26,929,080)	(28,245,738)	(225,495,620)
Share in net earnings of joint ventures and associate (Note 10)	(1,956,066)	(3,917,700)	(8,944,200)
Write off of advances to related parties (Note 16)	12,834,223	—	—
Impairment on investment in a joint venture (Note 10)	—	3,055,000	—
Loss on sale of investment properties (Notes 11 and 24)	—	815,953	34,128,752
Operating income before working capital changes	3,263,837,679	2,453,815,538	1,651,061,308
Decrease (increase) in:			
Receivables	(1,866,950,437)	(183,879,579)	2,134,808,092
Real estate inventories	498,649,201	127,271,816	(1,317,290,278)
Advances to suppliers and contractors	88,126,485	676,771,233	960,841
Other assets	163,859,124	305,892,453	(27,242,594)
Increase (decrease) in:			
Accounts and other payables	1,195,247,612	(256,407,382)	(7,771,058)
Contract liabilities	1,103,977,454	(279,512,691)	1,590,833,840
Liability from purchased land	(81,498,456)	(77,362,753)	(67,190,457)
Other liabilities	(153,928,097)	(80,380,904)	(117,059,539)
Cash generated by operations	4,211,320,565	2,686,207,731	3,841,110,155
Interest received (Note 24)	145,365,612	53,205,768	40,202,395
Interest and other financing costs paid	(1,314,005,861)	(1,018,045,757)	(1,150,215,529)
Income taxes paid	(451,563,122)	(288,055,516)	(62,656,415)
Retirement benefits paid (Note 26)	(10,007,461)	(15,025,874)	(31,313,494)
Net cash provided by operating activities	2,581,109,733	1,418,286,352	2,637,127,112
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from:			
Maturity of short-term investments	18,528,548	995,727,425	—
Sale of investment properties (Note 11)	—	31,056,047	92,923,673
Sale of property and equipment	—	—	12,145,459
Maturity of investment in bonds	—	—	463,750,000
Payments for:			
Additions to investment properties (Note 11)	—	(13,448,339)	(269,005,777)
Additions to short-term investments (Note 5)	—	—	(747,272,234)
Additions to property and equipment (Notes 12 and 34)	(83,519,822)	(160,225,133)	(28,549,518)
Deposits for purchased land (Note 9)	(5,000,000)	(80,830,196)	(4,569,060)
Intangible assets (Note 13)	(12,687,025)	—	(22,455,101)
Advances made to related parties	(606,712,520)	(442,835,692)	(62,539,972)
Net cash provided by (used in) investing activities	(689,390,819)	329,444,112	(565,572,530)

(Forward)



	Years Ended December 31		
	2023	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Short-term and long-term debt (Note 17)	₱3,613,097,763	₱6,776,350,442	₱3,365,320,535
Issuance of bonds payable (Note 19)	3,000,000,000	3,000,000,000	3,000,000,000
Additional investment from non-controlling interest (Note 20)	–	320,000,000	200,000,000
Increase (decrease) in liabilities to preferred shareholders of a subsidiary	7,733,977	(30,248,038)	–
Receipts of advances made from related parties (Note 16)	26,036,467	40,701,892	47,352,712
Payments for:			
Short-term and long-term debt (Note 17)	(3,709,775,849)	(7,868,987,759)	(6,751,494,594)
Deferred financing cost (Notes 17 and 19)	(109,255,420)	(116,804,807)	(82,986,143)
Cash dividends (Note 20)	(291,624,158)	(201,531,000)	(327,440,181)
Dividends paid to non-controlling interest (Note 20)	(500,000,000)	(200,000,000)	(160,000,000)
Acquisition of non-controlling interest (Note 20)	(1,500,050,000)	–	–
Lease liabilities (Note 28)	(15,407,317)	(29,407,773)	(23,678,500)
Redemption of preferred shares (Note 20)	(3,000,000,000)	–	–
Bonds payable (Note 19)	–	(3,000,000,000)	(119,110,000)
Net cash used in financing activities	(2,479,244,537)	(1,309,927,043)	(852,036,171)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(587,525,623)	437,803,421	1,219,518,411
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR (Note 4)	4,130,877,582	3,693,074,161	2,473,555,750
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	₱3,543,351,959	₱4,130,877,582	₱3,693,074,161

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Century Properties Group Inc. (the Parent Company or CPGI), a publicly listed company, was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on May 6, 1975. The Parent Company is a 68.22%-owned subsidiary of Century Properties Inc. (the Ultimate Parent or CPI) and the rest by the public. CPGI and its subsidiaries (collectively referred to hereinafter as the Group) is primarily engaged in the development and construction of residential and commercial real estate projects, leasing, hotel and property management.

The registered office address of the Parent Company is 35/F Century Diamond Tower, Century City, Kalayaan Ave. cor Salamanca St., Poblacion, Makati City.

Approval of the Consolidated Financial Statements

The consolidated financial statements as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023 were approved and authorized for issue by the Board of Directors (BOD) on April 4, 2024.

2. Material Accounting Policies

Basis of Preparation

The consolidated financial statements have been prepared using the historical cost basis except for investment properties that have been measured at fair value. The consolidated financial statements are presented in Philippine Peso (₱), which is the functional currency of the Parent Company and its subsidiaries. All amounts are rounded off to the nearest ₱, except when otherwise indicated.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs), as modified by the application of the financial reporting relief on the accounting for significant financing components as issued and approved by the SEC in response to the COVID-19 pandemic:

- a. Assessing if the transaction price includes a significant financing component discussed in Philippine Interpretations Committee (PIC) Questions and Answers (Q&A) No. 2018-12-D;
- b. Treatment of land in the determination of percentage of completion (POC) discussed in PIC Q&A No. 2018-12-E; and,
- c. Application of International Financial Reporting Interpretations Committee (IFRIC) Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*).



These accounting pronouncements address the issues of PFRS 15, *Revenue from Contracts with Customers*, affecting the real estate industry:

- *Deferral of the following provisions of Philippine Interpretations Committee (PIC) Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry*
 - a. Assessing if the transaction price includes a significant financing component (as amended by PIC Q&A 2020-04);
 - b. Treatment of land in the determination of the percentage-of-completion (POC); and
- *IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, Borrowing Cost)*

The consolidated financial statements also include the availment of relief under SEC MC No. 4-2020 to defer the adoption of IFRIC Agenda Decision on Over Time Transfers of Constructed Goods under PAS 23, *Borrowing Cost* (the IFRIC Agenda Decision on Borrowing Cost) until December 31, 2020.

In December 2020, the SEC issued MC No. 34-2020, allowing the further deferral of the adoption of provisions (a) and (b) above of PIC Q&A 2018-12 and the IFRIC Agenda Decision on Borrowing Cost, for another three (3) years or until December 31, 2023.

The details and the impact of the adoption of the above financial reporting reliefs are discussed in the section below under Changes in Accounting Policies and Disclosures.

PFRSs include Philippine Financial Reporting Standards, Philippine Accounting Standards (PAS) and interpretations issued by PIC.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as of December 31, 2023 and 2022, and for each of the three years in the period ended December 31, 2023.

An investee is included in the consolidation at the point when control is achieved. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included or excluded in the consolidated financial statements from the date the Group gains control or until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using uniform accounting policies for like transactions and other events in similar circumstances. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full in the consolidated financial statements.



Non-controlling interests (NCI) pertain to the equity in a subsidiary not attributable, directly or indirectly to the Parent Company. Any equity instruments, including preferred shares, issued by a subsidiary that are not owned by the Parent Company, are non-controlling interests. The portion of profit or loss and net assets in subsidiaries not wholly-owned by the Parent Company are presented separately in the consolidated statement of comprehensive income and within the equity section of the consolidated statement of financial position and consolidated statement of changes in equity, separately from the Parent Company's equity.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the NCI, even if this results in the NCI having a deficit balance.

Changes in the controlling ownership interest, i.e., acquisition of non-controlling interest or partial disposal of interest over a subsidiary that do not result in a loss of control, are accounted for as equity transactions.

The consolidated financial statements include the financial statements of the Parent Company and the following subsidiaries. The voting rights held by the Group in these subsidiaries are in proportion of their ownership interest.

	Percentage of Ownership		
	2023	2022	2021
Century Limitless Corporation (CLC)	100	100	100
Century Acqua Lifestyle Corporation (CALC)	100	100	100
Tanza Properties I, Inc. (TPI I)	100	60	60
Tanza Properties II, Inc. (TPI II)	100	60	60
Tanza Properties III, Inc. (TPI III)	100	60	60
Katipunan Prime Development Corporation (KPDC)	100	100	100
Century PHirst Corporation (CPC)*	100	100	100
Century Properties Management, Inc. (CPMI)	100	100	100
Siglo Suites, Inc. (SSI)	100	100	100
Siglo Commercial Management Corporation (SCMC) ****	—	—	100
Century Communities Corporation (CCC)	100	100	100
Century City Development Corporation (CCDC)	100	100	100
Century City Development Corporation II (CCDC II)	100	100	100
Centuria Medical Development Corporation (CMDC)	100	100	100
Milano Development Corporation (MDC)	100	100	100
Others****	—	—	100
Century Destination Lifestyle Corporation (CDLC)**	100	100	100
PHirst Park Homes, Inc. (PPHI)	100	60	60
Century Nuliv Development Corporation (CNDC)***	100	100	100

*formerly PHirst Park Homes Development Corporation (PPHDC)

**formerly Century Properties Hotel and Leisure Inc. (CPHLI)

***formerly Century Prima Corporation (CPC).

****subsidiaries of CCDC that were liquidated in 2022



Acquisition of Additional Interest - PPHI

On May 31, 2023, the Board of Directors (BOD) of CPGI approved the acquisition of 1,060,000,000 common shares with a par value of ₱1.00 per common share from Mitsubishi Corporation (MC), representing the latter's 40% ownership interest in PPHI, and 265,000 Preferred B shares with a par value of ₱1,000 per share owned by MC in PPHI. The Philippine Competition Commission (PCC) has approved the acquisition transaction on August 9, 2023 and the transaction was made effective on October 30, 2023 in accordance with the terms of the acquisition at a transaction price of ₱1.09 per common share and ₱1,085.28 per preferred share (see Note 20).

Acquisition of Additional Interests TPI, TPPII, and TPPIII

On May 31, 2023, the Board of Directors of the Century Limitless Corporation (CLC) also approved the acquisition of the 40% shareholdings of MC in the following subsidiaries:

- a. 409,780 common shares with par value of ₱100.00 per share and 175,620 preferred shares with par value of ₱100.00 per share in TPI.
- b. 140,000 common shares with par value of ₱100.00 per share of MC in TPPII.
- c. 120,000 common shares with par value of ₱100.00 per share of MC in TPPIII.

The PCC has approved the above transaction on August 9, 2023 and the transaction was made effective on October 30, 2023 in accordance with the terms of the acquisition (see Note 20).

Adoption of New and Amended Accounting Standards and Interpretations

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements as at and for the year ended December 31, 2022, except for the following new standards and amendments effective as at January 1, 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and
- adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

The amendments to the Practice Statement provide non-mandatory guidance. Meanwhile, the amendments to PAS 1 are effective for annual periods beginning on or after January 1, 2023. Early application is permitted as long as this fact is disclosed.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the consolidated financial statements of the Group.

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to PAS 8, *Definition of Accounting Estimates*
- Amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*



Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. Except as otherwise stated, the Group does not expect the adoption of these pronouncements to have a significant impact on the consolidated financial statements.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- *Deferral of Certain Provisions of PIC Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04)*

On February 14, 2018, the PIC issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 08, 2019, the Philippine SEC issued SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

A summary of the PIC Q&A provisions covered by the SEC deferral and the related deferral period follows:

	Deferral Period
a. Assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04)	Until December 31, 2023
b. Treatment of land in the determination of the POC discussed in PIC Q&A 2018-12-E	Until December 31, 2023

The SEC Memorandum Circulars also provided the mandatory disclosure requirements should an entity decide to avail of any relief. Disclosures should include:

- a. The accounting policies applied.
- b. Discussion of the deferral of the subject implementation issues in the PIC Q&A.



- c. Qualitative discussion of the impact on the financial statements had the concerned application guidelines in the PIC Q&A been adopted.
- d. Should any of the deferral options result into a change in accounting policy (e.g., when an entity excludes land and/or uninstalled materials in the POC calculation under the previous standard but opted to include such components under the relief provided by the circular), such accounting change will have to be accounted for under PAS 8, i.e., retrospectively, together with the corresponding required quantitative disclosures.

In November 2020, the PIC issued the following Q&A which provide additional guidance on the real estate industry issues covered by the above SEC deferrals:

- PIC Q&A 2020-04, which provides additional guidance on determining whether the transaction price includes a significant financing component.

After the deferral period, real estate companies have an accounting policy option of applying either the full retrospective approach or modified retrospective approach as provided under SEC MC 8-2021. The Group availed of the SEC reliefs to defer the above specific provisions of PIC Q&A No. 2018-12. Had these provisions been adopted, the Group assessed that the impact would have been as follows:

- a. The mismatch between the POC of the real estate projects and right to an amount of consideration based on the schedule of payments provided for in the contract to sell might constitute a significant financing component. In case of the presence of significant financing component, the guidance should have been applied retrospectively and would have resulted in restatement of prior year financial statements in case a full retrospective approach is applied. Depending on the approach of adoption, the adoption of this guidance would have impacted interest income, interest expense, revenue from real estate sales, contract assets, provision for deferred income tax, deferred tax asset or liability for all years presented (full retrospective approach), and the opening balance of retained earnings (full retrospective approach and modified retrospective approach). The Group is currently assessing if the mismatch constitutes a significant financing component for its contracts to sell. The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented in case of a full retrospective approach.
- b. The exclusion of land in the determination of POC would have reduced the percentage of completion of real estate projects. Adoption of this guidance would have reduced revenue from real estate sales, cost of sales and installment contracts receivable; increased real estate inventories and would have impacted deferred tax asset or liability and provision for deferred income tax for all years presented, and the opening balance of retained earnings.

The Group has opted to adopt the relevant provisions of the PIC Q&A using the modified retrospective approach.



- *IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, Borrowing Cost)*
In March 2019, IFRIC published an Agenda Decision on whether borrowing costs can be capitalized on real estate inventories that are under construction and for which the related revenue is/will be recognized over time under paragraph 35(c) of IFRS 15 (PFRS 15). IFRIC concluded that borrowing costs cannot be capitalized for such real estate inventories as they do not meet the definition of a qualifying asset under PAS 23, *Borrowing Costs*, considering that these inventories are ready for their intended sale in their current condition.

The IFRIC Agenda Decision would change the Group's current practice of capitalizing borrowing costs on real estate projects with pre-selling activities.

On February 21, 2020, the Philippine SEC issued Memorandum Circular No. 4-2020, providing relief to the Real Estate Industry by deferring the mandatory implementation of the above IFRIC Agenda Decision until December 31, 2020. Further, on December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020, which extends the relief on the application of the IFRIC Agenda Decision provided to the Real Estate Industry until December 31, 2023. Effective January 1, 2024, 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 Consolidated 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.

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 pre-selling activities should have been expensed out in the period incurred. This adjustment should have been applied retrospectively and would have resulted in restatement of prior year consolidated financial statements in case a full retrospective approach is applied. Depending on the approach of adoption, the adoption of the IFRIC agenda decision would have impacted interest expense, cost of sales, provision for deferred income tax, real estate inventories, deferred tax liability for all years presented (full retrospective approach), and the opening balance of retained earnings (full retrospective approach and modified retrospective approach). The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented.

The Group has opted to adopt the above IFRIC Agenda Decision using the modified retrospective approach.

Current versus Noncurrent Classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/noncurrent classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;



- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as noncurrent.

Financial Instruments

Financial assets

Initial recognition, Classification and Measurement

At initial recognition, financial assets are classified and measured at amortized cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Except for trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

For a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market-place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.



Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at FVTPL
- Financial assets at FVOCI, where cumulative gains or losses previously recognized are reclassified to profit or loss
- Financial assets designated at FVOCI, where cumulative gains or losses previously recognized are not reclassified to profit or loss

Financial assets at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortized cost are initially recognized at fair value plus directly attributable transaction costs and subsequently measured using the effective interest (EIR) method, less any impairment in value. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

As of December 31, 2023 and 2022, the Group's financial assets at amortized cost include "Cash and cash equivalents", "Short-term investments", "Receivables" (excluding other receivables), rental deposits under "Other current assets" and "Due from related parties"

Financial liabilities

Initial recognition, Classification and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Directly attributable transaction costs are documentary stamp tax, underwriting and selling fees, regulatory filing fee and other fees.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

The Group has no financial liability as at FVTPL.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.



Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of comprehensive income.

As of December 31, 2023 and 2022, the Group's financial liabilities at amortized cost includes "Accounts and other payables" (excluding customer's advances and statutory liabilities), "Due to related parties", "Short-term debt", "Liability from purchased land", Long-term debt", "Bonds Payable" and "Liabilities to Preferred Shareholders" under noncurrent liabilities.

Compound financial instruments

A compound financial instrument is a non-derivative financial instrument that, from the Group's perspective, contains both a liability and an equity component. On initial recognition of a compound financial instrument, the Group identifies the various components of the instrument and determine the fair value of the liability component. The Group then determines the equity component as a residual amount, essentially the issue proceeds of the instrument less the fair value liability component determined.

Impairment of Financial Assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are also recognized and interest revenue is calculated by applying the credit-adjusted EIR to the amortized cost of the financial asset.

The Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix for management fee and leasing receivables and vintage analyses for Installment Contract Receivables (ICRs) that are based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For all debt financial assets other than ICRs, leasing and management fee receivables, ECLs are recognized using the general approach wherein the Group tracks changes in credit risk and recognizes a loss allowance based on either a 12-month or lifetime ECLs at each reporting date.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis.



Exposures that have not deteriorated significantly since origination, or where the deterioration remains within the Group's investment grade criteria are considered to have a low credit risk. The provision for credit losses for these financial assets is based on a 12-month ECL. The low credit risk exemption has been applied on debt investments that meet the investment grade criteria of the Group from the time of origination.

The Group considers that there has been a significant increase in credit risk when contractual payments are more than 90 days past due.

For "Cash and cash equivalents", "Short-term Investments" and "Due from related parties" the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from Standard and Poor's (S&P), Moody's and Fitch, as applicable, to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

Derecognition of Financial Assets and Liabilities

Financial assets

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

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

A financial liability is derecognized when the obligation under the financial liability is discharged or cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing financial liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new financial liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income.



Write-off

The Group writes off a financial asset, in whole or in part, when the asset is considered uncollectible, it has exhausted all practical recovery efforts and has concluded that it has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

Real Estate Inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realizable value (NRV).

Cost includes:

- Land cost
- Land improvement cost
- Borrowing cost
- Amounts paid to contractors for construction and development
- Planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

NRV is the estimated selling price in the ordinary course of business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs of sale.

Real estate inventories include land held for future development. The Group has plans, as approved by the BOD, to construct and develop these parcels of land as a residential property for sale in the ordinary course of business. The physical construction activities have not commenced as of December 31, 2023 and 2022.

Deposits for Land

The Group normally makes deposits before a CTS or Deed of Absolute Sale (DOAS) is executed between the Group and the landowner. These are recognized and carried at cost less impairment losses, if any.

Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest measure using the EIR method and other costs that an entity incurs in connection with the borrowing of funds.

Where borrowings are associated with specific developments, the amount capitalized is the gross interest incurred on those borrowings less any investment income arising on their temporary investment. Interest is capitalized from the commencement of the development work until the date of



practical completion. The capitalization of finance costs is suspended if there are prolonged periods when development activity is interrupted.

Investments in and Advances to Joint Ventures and Associate

An investment is accounted for using the equity method from the day it becomes a joint venture or associate. On acquisition of investment, the excess of the cost of investment over the investor's share in the net fair value of the investee's identifiable assets, liabilities and contingent liabilities is accounted for as goodwill and included in the carrying amount of the investment and not amortized.

Any excess of the investor's share of the net fair value of the investee's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment, and is instead included as income in the determination of the share in the earnings of the investees.

Under the equity method, the investments in the investee companies are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share in the net assets of the investee companies, less any impairment in values. The consolidated statement of comprehensive income reflects the share of the results of the operations of the investee companies, if there's any. The Group's share of post-acquisition movements in the investee's equity reserves is recognized directly in equity. Profits and losses resulting from transactions between the Group and the investee companies are eliminated to the extent of the interest in the investee companies and for unrealized losses to the extent that there is no evidence of impairment of the asset transferred. Dividends received are treated as a reduction of the carrying value of the investment.

Investment Properties

Investment properties comprise of properties that are held to earn rentals or capital appreciation or both and that are not occupied by the entities in the Group.

Investment properties are measured initially at cost including certain transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise. The fair values of investment properties are determined based on annual valuation performed by accredited external independent real estate valuation experts based on the "income approach" using discounted cash flow analysis for its income generating buildings which are based on the buildings discounted future cash flows.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner's occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner's occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

For a transfer from investment property to inventories, the change in use is evidenced by commencement of development with a view to sale. When the Group decides to dispose of an investment property without development, it continues to treat the property as an investment property until it is derecognized and does not treat it as inventory. Similarly, if an entity begins to redevelop an existing investment property for continued future use as investment property, the property remains



an investment property and is not reclassified as owner-occupied property during the redevelopment. For a transfer from investment property carried at fair value to inventories, the property's deemed cost for subsequent accounting shall be its fair value at the date of change in use.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and amortization and any impairment in value. The cost of an item of property and equipment includes its purchase price and any cost attributable in bringing the asset to the intended location and working condition.

Expenditures incurred after the fixed assets have been put into operation, such as repairs and maintenance, are normally charged to expenses in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation of property and equipment commences once the property and equipment are put into operational use and is computed on a straight-line basis over the estimated useful lives (EUL) of the property and equipment as follows:

	Years
Office equipment	3 - 5
Computer equipment	3 - 5
Furniture and fixtures	3 - 5
Transportation equipment	5
Leasehold improvements	5 or lease term, whichever is shorter
Construction equipment	5
Building	40
Right-of-use assets	3 - 6

The useful lives and depreciation method are reviewed at financial year end to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment. When property and equipment are retired or otherwise disposed of, the cost and the related accumulated depreciation and accumulated provision for impairment losses, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Construction in progress, included in property and equipment, is stated at cost. Depreciation is computed when the relevant asset is completed and becomes available for use in operations, at which time, the asset is reclassified to its property and equipment category.

Fully depreciated property and equipment are retained in the accounts until they are no longer in use and no further depreciation and amortization is charged against current operations.

The Group classifies its right-of-use assets as part of property and equipment.

Impairment of Nonfinancial Assets

The Group assesses as at reporting date whether there is an indication that its nonfinancial assets (e.g., property and equipment, deposit for purchased land and investments and advances in joint ventures and associate) may be impaired. If any such indication exists, or when annual impairment



testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. Impairment losses are recognized in the expense categories of profit or loss consistent with the function of the impaired asset.

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

For investments in associates and joint ventures, after application of the equity method, the Group determines whether it is necessary to recognize any additional impairment loss with respect to the Group's net investment in the investee companies. The Group determines at each reporting date whether there is any objective evidence that the investment in associates or joint ventures is impaired. If this is the case, the Group calculates the amount of impairment as being the difference between the recoverable amount and the carrying value of the investee company and recognizes the difference in the consolidated statement of comprehensive income.

Leases

Group as a lessee

Except for short-term leases and leases of low-value assets, the Group applies a single recognition and measurement approach for all leases. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of office spaces (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Group as a lessor

Leases where the Group does not transfer substantially all the risk and benefits of the ownership of the asset are classified as operating leases. Otherwise, they are classified as finance leases. Rental income from operating leases is recognized as income on a straight-line basis over the lease term.



Liabilities on Preferred Shares Subscription

Liabilities on preferred shares subscription represent cash received by CALC, a subsidiary, that are convertible to a fixed number of CALC's stocks in the future. CALC's preferred shares are considered as compound financial instruments which contain both liability and equity components. Since the preferred shares are non-redeemable and entitles the holder to a pro-rata share of assets upon liquidation, including twenty-eight (28) free nights to stay at the hotel, this financial instrument is classified as an equity instrument. However, the preferred shares establish a contractual right to a dividend [i.e., the net room rental revenue (NRRR)], thus, it contains a financial liability with respect to the share in the NRRR.

Equity

Common stock, Preferred stock and Additional paid-in capital

The Group records common stock and preferred stock at par value and additional paid-in capital in excess of the total contributions received over the aggregate par value of the equity share. Incremental costs incurred directly attributable to the issuance of new shares are shown in equity as a deduction from proceeds, net of tax.

Retained earnings

Retained earnings represent accumulated earnings of the Group less dividends declared, if any and transition adjustments from policy changes.

Treasury shares

Treasury shares are Parent Company's own equity instruments (whether common or preferred) which are reacquired and are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Parent Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital. Voting rights related to treasury shares are nullified, in case of common shares, for the Parent Company and no dividends are allocated to them respectively. When the shares are retired, the common or preferred capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

Non-controlling interest

Non-controlling interest are recognized and measured at the proportionate share of the non-controlling interest to the net assets of the Group. When non-controlling interest is subsequently acquired, the difference between the acquisition price and the carrying value of the interest as at acquisition date is recognized as equity reserve under "Other components of equity" account in the consolidated statement of financial position.

Revenue and Cost Recognition under PFRS 15

Revenue from Contract with Customers

The Group primarily derives its real estate revenue from the sale of vertical and horizontal real estate projects. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water and electricity in its leasing units, wherein it is acting as agent.

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.



Real estate sales

The Group derives its real estate revenue from sale of lots, house and lot and condominium units. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion) since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

In measuring the progress of its performance obligation over time, the Group uses the output method. The Group recognizes revenue on the basis of direct measurements of the value to customers of the goods or services transferred to date, relative to the remaining goods or services promised under the contract. Progress is measured based on the physical proportion of the real estate project's completion. This is based on the monthly project accomplishment report prepared by the third-party project engineers which integrates the surveys of performance to date of the construction activities for both sub-contracted and those that are fulfilled by the developer itself. Any excess of progress of work over the right to an amount of consideration that is unconditional, is recognized as installment contracts receivable. Any excess of collections over the recognized installment contracts receivables is included in the "customers' deposit" account in the liabilities section of the consolidated statement of financial position.

The impact of the significant financing component on the transaction price and treatment of land in determination of percentage of completion (POC) to measure the progress of its performance obligations has not been considered since the Group availed of the relief granted by the SEC under Memorandum Circular No. 34-2020 until December 31, 2023.

Property management fee, hotel and other services

Revenue from property management, hotel and other services is recognized over time as they are rendered since the customer simultaneously receives and consumes the benefits provided by the Group's performance of its obligation. Property management fee and other services consist of revenue arising from management contracts, auction services and technical services while Hotel revenue consist of revenue arising from the rental of rooms, food and beverage sales, and other service revenue.

Cost of real estate sales

The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets such as connection fees. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses and capitalized borrowing costs. These costs are allocated between the sold units being recognized as cost of sales and the unsold units being recognized as part of real estate inventories.

Contract costs include all direct materials and labor costs and those indirect costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed total contract revenue. Changes in contract performance, contract conditions and estimated profitability, including those arising from contract penalty provisions, and final contract settlements which may result in revisions to estimated costs and gross margins are recognized in the year in which the changes are determined.

The impact of IFRIC Agenda Decision on Over Time Transfers of Constructed Goods under PAS 23, *Borrowing Cost* has not been considered since the Group availed of the relief granted by the SEC under MC No. 34-2020 until December 31, 2023.



Leasing Revenue

The Group leases its commercial real estate properties to others through operating leases. Rental income on leased properties is recognized on a straight-line basis over the lease term, or based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract. Contingent rents are recognized as revenue in the period in which they are earned.

Income from Forfeited Collections

Income from forfeited collections recorded under “Interest and other income” is recognized at a point in time when the deposits from potential buyers are deemed nonrefundable due to prescription of the period for entering into a contracted sale. Such income is also recognized, subject to the provisions of Republic Act 6552, *Realty Installment Buyer Act*, upon prescription of the period for the payment of required amortizations from defaulting buyers.

Interest Income

Interest income is recognized as it accrues, taking into account the effective yield on the asset.

Other Income

Other income consists of customer-related fees such as penalties and surcharges are recognized as they accrue, taking into account the provisions of the related contract.

Cost of Leasing

Cost of leasing pertains to direct costs of leasing the Group’s commercial properties. These costs are expensed as incurred.

Cost of Services

Cost of services pertains to direct costs of property management, hotel and other services. These costs are expensed as incurred.

General and Administrative Expenses

General and administrative expenses constitute costs of administering the business and are expensed as incurred.

Contract Balances

Installment contract receivables (ICRs)

ICRs pertain to any excess of progress of work over the right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group transfers goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. The contract assets are presented within the “Installment contract receivables” as allowed by PIC Q&A 2018-12D on the presentation of contract asset.



Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract. The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced.

Costs to Obtain Contract

The incremental costs of obtaining a contract with a customer are recognized as an asset if the Group expects to recover them. The Group has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are recorded as “Prepaid commissions” in the consolidated statement of financial position. These are charged to expense in the period in which the related revenue is recognized as earned. Commission expense is included in the “General and administrative expenses” account in the consolidated statement of comprehensive income.

Costs incurred prior to obtaining contract with customer are expensed as incurred.

Amortization, de-recognition and impairment of capitalized costs to obtain a contract

Following the pattern of real estate revenue recognition, the Group amortizes capitalized costs to obtain a contract to cost of sales over the expected construction period using percentage of completion. The amortization is included within cost of sales.

A capitalized cost to obtain a contract is derecognized either when it is disposed of or when no further economic benefits are expected to flow from its use or disposal.

At each reporting date, the Group determines whether there is an indication that cost to obtain a contract maybe impaired. If such indication exists, the Group makes an estimate by comparing the carrying amount of the assets to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Group uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price is removed for the impairment test.

Pension Cost

Pension cost is actuarially determined using the projected unit credit method. This method reflects services rendered by employees up to the date of valuation and incorporates assumptions concerning employees’ projected salaries. Actuarial valuations are conducted with sufficient regularity, with an option to accelerate when significant changes to underlying assumptions occur.

Pension cost includes current service cost, interest cost, past service cost and gains and losses, and curtailment and non-routine settlement.



The liability recognized by the Group in respect of the funded defined benefit pension plan is the present value of the defined benefit obligation at the reporting date. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using risk-free interest rates of government bonds that have terms to maturity approximating the terms of the related pension liabilities or applying a single weighted average discount rate that reflects the estimated timing and amount of benefit payments.

Remeasurements, comprising of actuarial gains or losses, the effect of the asset ceiling, excluding net interest cost and the return on plan assets (excluding net interest), are recognized immediately in the consolidated statement of financial position with a corresponding debit or credit to other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Income Taxes

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as of the reporting date.

Deferred tax

Deferred tax is provided using the balance sheet liability method on all temporary differences, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, including asset revaluations. Deferred tax assets are recognized for all deductible temporary differences, carry forward benefit of unused tax credits from the excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT), and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences and the carry forward of unused tax credits from MCIT and unused NOLCO can be utilized. Deferred tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income.

Deferred tax liabilities are not provided on non-taxable temporary differences associated with investments in domestic subsidiaries and associate.



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

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

Value-added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable and is included as part of the “Accounts and other payables” account in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset and is included as part of the “Other current assets” and “Other noncurrent assets” accounts in the consolidated statement of financial position to the extent of the recoverable amount.

Foreign Currency Transactions

Transactions denominated in foreign currencies are initially recorded using the exchange rates prevailing at transaction dates. Foreign currency-denominated monetary assets and liabilities are retranslated using the closing exchange rates at reporting date. Exchange gains or losses arising from foreign currency transactions are credited to or charged against current operations.

Segment Reporting

The Group’s operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on the Group’s business segments is presented in Note 31 to the consolidated financial statements.

Earnings Per Share

Basic earnings per share (EPS) is computed by dividing net income attributable to common stockholders by the weighted average number of common shares issued and outstanding during the year and adjusted to give retroactive effect to any stock dividends declared during the period. The net income attributable to common stockholders of the Parent Company is net of dividends attributable to preferred stockholders.

Diluted EPS is computed by dividing net income attributable to common equity holders by the weighted average number of common shares issued and outstanding during the year plus the weighted average number of common shares that would be issued on conversion of all the dilutive potential common shares. The calculation of diluted EPS does not assume conversion, exercise or other issue of potential common shares that would have an antidilutive effect on earnings per share.



As of December 31, 2023, 2022 and 2021, the Group has no potentially dilutive common shares.

Events After the Reporting Date

Post year-end events up to the date of auditor's report that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the consolidated financial statements when material.

3. Significant Accounting Judgments and Estimates

The preparation of the consolidated financial statements in compliance with PFRSs requires the Group to make judgments and estimates that affect the amounts reported in the consolidated financial statements and accompanying notes. The judgments, estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the consolidated financial statements. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

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

Material partly-owned subsidiaries

The consolidated financial statements include additional information about subsidiaries that have NCI that are material to the Group (see Note 20). Management determined material partly-owned subsidiaries as those with carrying value of NCI greater than 5% of total NCI as at end of the year. In 2023, the Group acquired the respective NCIs in CLC, PPHI and TPI (see Note 2).

Existence of a contract

The Group's primary document for a contract with a customer is a signed CTS. It has determined, however, that in cases wherein CTS are not signed by both parties, the combination of its other signed documentation such as reservation agreement, official receipts, buyers' computation sheets and invoices, would contain all the criteria to qualify as contract with the customer under PFRS 15.

Revenue recognition method and measure of progress

The Group concluded that revenue for real estate sales is to be recognized over time because: (a) the Group's performance does not create an asset with an alternative use; and (b) the Group has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Group's ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date. In addition, the Group requires a certain percentage of buyer's payments of total selling price (buyer's equity), to be collected as one of the criteria in order to initiate



revenue recognition. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Group. The Group considers that the initial and continuing investments by the buyer of about 5% would demonstrate the buyer's commitment to pay.

The Group has determined that output method used in measuring the progress of the performance obligation faithfully depicts the Group's performance in transferring control of real estate development to the customers.

Incorporation of forward-looking information

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL.

To do this, the Group has considered a range of relevant forward-looking macro-economic assumptions for the determination of unbiased general industry adjustments and any related specific industry adjustments that support the calculation of ECLs. Based on its evaluation and assessment and after taking into consideration external actual and forecast information, the Group considers a representative range of possible forecast scenarios. This process involves gathering two or more economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies, monetary authorities and selected private-sector and academic institutions.

The Group has identified and documented key drivers of credit risk and credit losses of each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

Predictive relationship between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past 5 years. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

The Group has not identified any uncertain event that it has assessed to be relevant to the risk of default occurring but where it is not able to estimate the impact on ECL due to lack of reasonable and supportable information.

Operating lease commitments - the Group as a lessor

Management has determined that the Group retains all significant risks and rewards of underlying assets and thus, accounts for the contracts as operating leases. The ownership of the underlying assets is not transferred to the lessee by the end of the lease term. Leasing revenue amounted to ₱1,293.12 million, ₱1,362.47 million and ₱1,200.37 million in 2023, 2022 and 2021, respectively (see Note 28).

Distinction of property between real estate inventories, property and equipment and investment properties

The Group determines whether a property will be classified as real estate inventories, property and equipment or investment properties. In making this judgment, the Group considers whether the property will be sold in the normal operating cycle (real estate inventories) and even if the real estate inventories are leased out, the classification remains on the condition that the intent to sell remains. The Group also considers whether the property is held for administrative purposes and classifies the property under property and equipment. All other properties that are not yet determined to be sold in



the normal operating cycle nor held for administrative purposes are classified as investment properties.

In 2023, the Group, as approved by the BOD, decided to remove 158 units it owns in Novotel Suites Manila at Acqua 6 with a total cost of ₱1,152.68 million from the hotel pool and to sell these as regular residential units. Accordingly, the Group reclassified such amount from “property and equipment” to “real estate inventories” (Notes 7 and 12).

Management’s Use of Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue recognition on real estate projects

The Group’s revenue recognition require management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Group’s revenue from real estate and construction contracts is recognized based on percentage of completion (POC) are measured principally on the basis of the estimated completion of a physical proportion of the contract work. Apart from involving significant estimates in determining the quantity of imports such as materials, labor and equipment needed, the assessment process for the POC is complex and requires technical determination by management’s specialists (third-party project engineers).

Collectability of the sales price

In determining whether the sales price is collectible, the Group considers that the initial and continuing investments by the buyer of 5% would demonstrate the buyer’s commitment to pay. Based on the historical trend of cancellations of customer contracts, the management believes that 5% continues to be reasonable. The revenue arising from these sales contracts amounted to ₱10,794.58 million, ₱9,231.48 million and ₱7,664.40 million in 2023, 2022 and 2021, respectively (see Note 30).

Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognized in profit or loss except for investment properties under construction. The Group determined that the fair value of its investment properties under construction cannot yet be reliably measurable, as such these investment properties are measure at cost. Once the construction is complete or the fair value is reliably measurable, whichever comes first, the Group will measure the investment property at fair value.

For its investment properties that are complete and whose fair values are reliably measurable, the Group engages annually independent valuation specialists to determine its fair value. The appraisers used income approach using discounted cash flow method for its properties which are based on future cash flows available for such properties. Gain from change in fair value of investment properties amounted to ₱26.93 million, ₱28.24 million and ₱225.50 million in 2023, 2022 and 2021, respectively. The carrying value of the investment properties amounted to ₱12,421.91 million and ₱12,394.98 million as of December 31, 2023 and 2022, respectively (see Note 11).



Evaluation of impairment of financial assets

The Group uses a provision matrix to calculate ECLs for cash and cash equivalents, short-term investments, receivables other than ICRs, due from related parties, rental deposits and investment in bonds. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information such as inflation and GDP growth rates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The Group uses vintage analysis approach to calculate ECLs for ICRs. The vintage analysis accounts for expected losses by calculating the cumulative loss rates of a given loan pool. It derives the probability of default from the historical data of a homogenous portfolio that share the same origination period. The information on the number of defaults during fixed time intervals of the accounts is utilized to create the PD model. It allows the evaluation of the loan activity from its origination period until the end of the contract period.

The Group defines a financial instrument as "in default" when a customer is more than 90 days past due on its contractual obligations. However, in certain cases, the Group may also consider a financial asset to be "in default" when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. An instrument is considered to be no longer in default (i.e., to have cured) when it no longer meets any of the default criteria.

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

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

As of December 31, 2023, and 2022, the allowance for impairment losses on financial assets of the Group amounted to ₱34.85 million and ₱9.70 million, respectively (see Note 6). As of December 31, 2023, and 2022, the carrying values of these assets are as follows:

	2023 (in millions)	2022 (in millions)
Cash and cash equivalents (Note 4)	₱3,543.35	₱4,130.88
Short-term investments (Note 5)	18.26	36.79
Receivables* (Note 6)	11,549.90	9,581.16
Due from related parties (Note 16)	1,566.24	975.32
Rental deposits (Note 13)	94.25	95.96

**Excluding other receivables that are non-financial in nature amounting to ₱365.13 million and ₱382.87 million as of December 31, 2023 and 2022, respectively.*



Estimating NRV of real estate inventories

The Group reviews the NRV of real estate inventories and compares it with the cost since assets should not be carried in excess of amounts expected to be realized from sale. Real estate inventories are written down below cost when the estimated NRV is found to be lower than the cost.

NRV for completed real estate inventories is assessed with reference to market conditions and prices existing at the reporting date and is determined by the Group having taken suitable external advice and in light of recent market transactions. NRV in respect of inventory under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction less an estimate of the time value of money to the date of completion. The estimates used took into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period.

The carrying values of real estate inventories amounted to ₱18,832.24 million and ₱17,723.40 million as of December 31, 2023 and 2022, respectively (see Note 7).

Evaluation of nonfinancial assets

The Group assesses impairment on its nonfinancial assets and considers the following important indicators:

- Significant changes in asset usage;
- Significant decline in assets' market value;
- Obsolescence or physical damage of an asset;
- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of usage of the acquired assets or the strategy for the Group's overall business; and
- Significant negative industry or economic trends.

If such indications are present and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the asset's fair value less cost to sell or value in use whichever is higher.

The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to be generated from the continued use of the asset. The Group is required to make estimates and assumptions that can materially affect the carrying amount of the asset being assessed.

The Group's nonfinancial assets includes hotel properties (see Note 12). The Group assessed that there is an indication that the hotel properties might be impaired as of December 31, 2023 and 2022 and thus, the Group calculated the hotel properties' recoverable amount. The Group utilized a discounted cash flow model and used certain assumptions (including discount rate, annual average occupancy rate, performance growth rates, and a terminal value) to determine the value in use. The model used (a) projected cash flows for the explicit forecast period of 10 years for 2023 and 2022, (b) a pre-tax discount rate of 8.93% and 11.22% in 2023 and 2022, respectively, and (c) a growth rate of 3% and 5% was applied beyond the 10th year projections in 2023 and 2022, respectively, among others. Based on the impairment testing performed, the Group did not identify any impairment of such property as of December 31, 2023 and 2022. In terms of sensitivity, an impairment loss would have resulted had the growth rate applied was about 1.1% or lower and 4.10% or lower as at December 31, 2023 and 2022, respectively.



The Group did not identify impairment indicators on the other cash generating units of the Group. The aggregate value of other nonfinancial assets such as property and equipment (except for hotel properties), advances to suppliers and contractors, deposit for purchased land, investments in and advances to joint ventures and associate, other assets (excluding rental deposit) and receivables from employees is ₱5,013.86 million and ₱5,458.53 million as of December 31, 2023 and 2022, respectively. No impairment was recognized for these nonfinancial assets as of December 31, 2023 and 2022.

Recognition of deferred tax assets

The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces the amounts to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. Significant judgment is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and level of future taxable income together with future planning strategies. The Group assessed its projected performance in determining the sufficiency of the future taxable income. As of December 31, 2023, and 2022, the Group has unrecognized deferred tax assets amounting to ₱656.13 million and ₱441.08 million, respectively (see Note 27).

4. Cash and Cash Equivalents

This account consists of:

	2023	2022	2021
Cash on hand and in banks	₱2,187,042,638	₱2,043,009,395	₱2,607,258,991
Cash equivalents	1,356,309,321	2,087,868,187	1,085,815,170
	₱3,543,351,959	₱4,130,877,582	₱3,693,074,161

Cash in banks earns interest at the prevailing bank deposit rates.

Cash equivalents are short-term, highly liquid investments that are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest at the prevailing short-term rates ranging from 1.60% to 2.40% and 0.25% to 4.60% in 2023 and 2022, respectively. Interest income on cash and cash equivalents amounted to ₱141.12 million, ₱52.64 million and ₱28.69 million in 2023, 2022 and 2021, respectively (see Note 24).

Cash and cash equivalents amounting to ₱215.56 million are set aside to service certain obligations of the Group as of December 31, 2023.

5. Short-term Investments

As of December 31, 2023 and 2022, short-term investments amounted to ₱18.26 million and ₱36.79 million, respectively. Short-term investments include money market placements exceeding 3 months but less than one year. Short-term investments earn at prevailing short-term interest rate ranging from 2.30% to 3.38% in 2023 and 0.90% to 2.125% in 2022. Interest income earned on short-term investments amounted to ₱4.24 million, ₱0.56 million and ₱11.51 million in 2023, 2022 and 2021, respectively (see Note 24).



6. Receivables

This account consists of:

	2023	2022
Trade receivables:		
ICR	₱10,513,080,456	₱8,584,320,427
Leasing receivable	433,567,822	450,320,867
Management fees	191,548,312	140,819,720
Receivable from employees and agents	365,129,483	382,869,640
Advances to condominium corporations	113,681,294	104,981,945
Advances to customers	130,572,262	119,638,563
Other receivables	202,299,203	181,080,781
	11,949,878,832	9,964,031,943
Allowance for estimated credit losses for management fees and other receivables	(34,851,667)	(9,704,105)
	11,915,027,165	9,954,327,838
Noncurrent portion of ICR	(1,268,850,078)	(109,043,517)
	₱10,646,177,087	₱9,845,284,321

ICRs pertain to receivables from the sale of real estate properties. These are collectible in monthly installments over a period of one (1) to five (5) years, bear no interest and with lump sum collection upon project turnover. Titles to real estate properties are not transferred to the buyer until full payment has been made. During the year, the Group recognized additional ICRs in relation to the launch of its new projects.

Details of ICRs are as follows:

	2023	2022
Gross ICR	₱13,025,131,114	₱10,681,177,699
Unamortized discount arising from noninterest-bearing ICR	(154,892,669)	(240,441,327)
	12,870,238,445	10,440,736,372
Percentage of completion adjustment	(2,357,157,989)	(1,856,415,945)
Carrying value of ICR	10,513,080,456	8,584,320,427
Non-current portion of ICR	(1,268,850,078)	(109,043,517)
Current portion of ICR	₱9,244,230,378	₱8,475,276,910



Unamortized discounts

These ICRs were recorded initially at fair value which is derived using the discounted cash flow model using discount rates ranging from 4.05% to 7.22% and 1.88% to 3.87% in 2023 and 2022, respectively.

Movements in the unamortized discount on ICRs follow:

	2023	2022
Balance at beginning of year	₱240,441,327	₱312,352,957
Additions	8,200,232	37,406,969
Accretion for the year	(93,748,890)	(109,318,599)
Balance at end of year	₱154,892,669	₱240,441,327

Interest income from accretion of unamortized discount on ICRs amounted to ₱93.75 million, ₱109.32 million and ₱180.12 million in 2023, 2022 and 2021, respectively.

Leasing receivables represent the outstanding receivables arising from the lease of commercial centers relating to the Group's mall and offices and are collectible within 30 days from billing date. These are covered by security deposit of tenants' equivalent to two to four-month rental and two to four-month advance rent paid by the lessees. This includes both the fixed and contingent portion of lease. It also includes accrued rental receivable pertains to the effect of straight-line calculation of rental income.

Management fees are revenues arising from property management contracts. These are collectible on a 15-30-day basis depending on the terms of the management service agreement.

Receivable from employees and agents pertains to cash advances for retitling costs and other operational and corporate-related expenses. These are realized within twelve months and bears no interest. It also includes salary and other loans granted to the employees and are recoverable through salary deductions. These are noninterest-bearing and are due and demandable.

Advances to condominium corporations pertain to expenses paid by the Group on behalf of the condominium corporations for various expenses incurred for the projects already turned over. These receivables are due and demandable and bear no interest.

Advances to customers pertain to expenses paid by the Group on behalf of the customers for the taxes and other costs incurred in securing the title in the name of the customers. These receivables are billed separately to the respective buyers and are expected to be collected within one (1) year.

Others, mainly consist of receivables for repairs and installation cost charge to tenants and reimbursement of regulatory payments. In 2023 and 2022, "Others" included receivable from sales of investment property amounting to ₱52.23 million and ₱70.05 million, respectively.

The movements in the allowance for estimated credit losses for receivables are shown below:

	2023	2022
Balance at beginning of year	₱9,704,105	₱8,288,052
Provision, net of reversals (Notes 16 and 21)	25,147,560	1,416,053
Balance at end of year	₱34,851,665	₱9,704,105

The allowance for expected credit losses pertain to management fees and other receivables.



Receivable financing

The Group entered into various agreements with a local bank whereby the Group assigned its ICRs with recourse at average interest rates ranging from 5.88% to 8.50% and 6.07% to 9.50% in 2023 and 2022, respectively. The assignment agreements provide that the Group will substitute defaulted CTS with other CTS of equivalent value.

The Group retains the assigned receivables in the consolidated financial statements since the Group retains the risks and rewards related to these receivables. The Group records the proceeds from these assignments as long-term debt. The gross amount of ICRs used as collateral amounted to ₱921.96 million and ₱1,303.15 million as of December 31, 2023 and 2022, respectively (see Note 17).

7. Real Estate Inventories

This account consists of:

	2023	2022
Condominium units	₱11,449,852,612	₱11,751,816,204
Residential house and lots	6,352,878,859	5,192,943,484
Land held for future developments	1,029,503,732	778,637,876
	₱18,832,235,203	₱17,723,397,564

The roll-forward of this account follows:

	2023	2022
Balance at beginning of year	₱17,723,397,564	₱16,143,099,068
Construction costs incurred	4,103,984,361	4,028,718,661
Purchase of land	1,708,076,167	1,905,092,486
Borrowing costs capitalized (Note 17)	157,112,951	214,146,276
Transfers from investment properties (Note 11)	–	1,039,604,760
Transfers from property and equipment (Note 12)	1,152,684,987	–
Cost of real estate sales	(6,013,020,827)	(5,607,263,687)
Balance at end of year	₱18,832,235,203	₱17,723,397,564

General and specific borrowings were used to finance the Group's ongoing real estate projects. The related borrowing costs were capitalized as part of real estate inventories. The capitalization rate used in 2023 and 2022 are 1.40% and 1.82%, respectively, for general borrowing costs.

Real estate inventories recognized as "Cost of real estate sales" amounted to ₱6,013.02 million, ₱5,607.26 million and ₱4,808.42 million in 2023, 2022 and 2021, respectively.

In 2023, the Group purchased land in Batangas, Bacolod and Nueva Ecija which will be developed into a residential house and lot to be held for sale with amount totaling to ₱1,708.07 million. The related deposit on land amounting to ₱297.69 million were applied as the payment for the purchase of land (see Note 9).

In 2022, the Group purchased land in Katipunan, Quezon City which will be developed into a condominium project to be held for sale in the future amounting to ₱526.90 million. The related advances to landowners amounting ₱419.23 million and deposit for purchased land amounting to ₱30.16 million were applied as part of the payment for the purchase of land (see Notes 9 and 13).



In 2022, the Group affordable segment also purchase land in Bataan intended for development of residential house and lot amounting to ₱1,378.12 million.

The carrying values of real estate inventories mortgaged for trust receipts payables and bank loans amounted to ₱2,296.48 million and ₱1,281.94 million as of December 31, 2023 and 2022, respectively (see Note 17).

8. Advances to Suppliers and Contractors

Advances to suppliers and contractors amounting to ₱1,661.85 million and ₱1,749.97 million as of December 31, 2023 and 2022, respectively, are capitalized as part of real estate inventories when the materials have been delivered or services have been rendered by the suppliers and contractors, respectively. These advances are intended for the construction of the Group's real estate inventories.

9. Deposits for Purchased Land

This account consists of refundable deposits made to property owners for the acquisition of parcels of land in which the use is currently undetermined. Deposits for purchased land amounted to ₱1,116.79 million and ₱1,409.48 million as of December 31, 2023 and 2022, respectively.

In 2023 and 2022, the Group made additional deposits to property owners for the acquisitions of parcels of land located in Novaliches amounting to ₱5.00 million and ₱80.83 million, respectively.

As disclosed in Note 7, the Group purchased various parcels of land during 2023 and 2022. As a result, the Group applied the related deposit for purchased land amounting to ₱297.69 million and ₱30.16 million, respectively, as part of the payment for the purchased land.

10. Investments in and Advances to Joint Ventures and Associate

The Group's investments in joint ventures and associate are shown below:

	2023	2022
Joint ventures:		
One Pacstar Realty Corporation (One Pacstar)	₱227,112,884	₱222,562,484
Two Pacstar Realty Corporation (Two Pacstar)	42,210,386	44,804,720
Associate:		
Asian Breast Center (ABC)	7,999,900	7,999,900
	₱277,323,170	₱275,367,104
Acquisition cost	₱404,033,094	₱404,033,094
Accumulated equity in net losses		
Balance at beginning of year	(125,610,990)	(129,528,690)
Share in net earnings	1,956,066	3,917,700
Balance at end of year	(123,654,924)	(125,610,990)
Allowance for impairment loss	(3,055,000)	(3,055,000)
	₱277,323,170	₱275,367,104



Investments in One Pacstar Realty Corporation and Two Pacstar Realty Corporation

On October 22, 2014, CLC entered into an agreement with La Costa Development Corporation, Inc. (La Costa) to take out the loan of La Costa with Union Bank of the Philippines in its name and for its sole account. For and in consideration of the loan take out, La Costa transferred, ceded, and conveyed 196,250 shares of One Pacstar and 42,250 shares of Two Pacstar.

Provisions in the agreement grant CLC to vote using the owned shares in the meetings of the stockholders of One Pacstar and Two Pacstar. The Group currently owns 50% of the total voting shares with the remaining 50% owned by La Costa for both One Pacstar and Two Pacstar. This resulted in the two companies having joint control over One Pacstar and Two. The primary purpose of One Pacstar and Two Pacstar is to acquire, own, lease, and manage lands and all other kinds of real estate properties.

One Pacstar and Two Pacstar's principal place of business is 5th Floor, Pacific Star Building, High Rise Tower, Gil Puyat cor. Makati Avenue, Makati City.

Following are the significant financial information of the joint ventures as of December 31, 2023 and 2022 and for the years then ended (in millions):

	2023	2022
Total assets	₱867	₱864
Total liabilities	304	302
Total revenue	7	12
Total expenses	2	2

The Group recognized share in net earnings of the joint ventures amounting to ₱1.96 million, ₱3.92 million and ₱8.94 million in 2023, 2022 and 2021, respectively.

In 2022, the BOD of A2 Global approved the commencement of its liquidation, consequently the Group has written off its investments amounting to ₱3.06 million.

Investment in Asian Breast Center, Inc. (ABC)

On January 7, 2016, the Group acquired 79,999 shares in ABC with an acquisition price of ₱8.00 million, for a 16.00% ownership. ABC has five (5) directors, one from the Group and four from ABC. Because the Group only has significant influence, this arrangement is considered as an investment in associate and is measured using the equity method.

The primary purpose of ABC is to provide comprehensive ambulatory care for women afflicted with any form of breast disease, including prevention, early detection, early diagnosis, and treatment. ABC's principal place of business is 8th Floor, Centuria Medical Makati, Kalayaan Avenue, Makati City.

The Group has not incurred any contingent liabilities as at December 31, 2023 and 2022 in relation to its interest in the joint ventures and associate, nor do the joint ventures and associate themselves have any contingent liabilities for which the Group is contingently liable. The Group has not entered into any capital commitments in relation to its interest in the joint ventures and associate and did not receive any dividends from the joint ventures and associate.



11. Investment Properties

The Group's investment properties consist of commercial properties currently being leased out. Commercial properties include office buildings and retail mall located in key cities and municipalities in the Philippines.

Movements in this account are as follows:

	2023	2022
Cost:		
Balance at beginning of year	₱8,343,741,289	₱9,962,422,883
Construction costs incurred	–	13,448,339
Sale of property	–	(22,256,511)
Transfer to property and equipment (Note 12)	–	(556,820,321)
Transfer to real estate inventories (Note 7)	–	(1,053,053,101)
Balance at end of year	8,343,741,289	8,343,741,289
Change in fair value:		
Balance at beginning of year	4,051,238,721	4,032,608,471
Sale of property	–	(9,615,488)
Gain from change in fair value of investment property	26,929,080	28,245,738
Balance at end of year	4,078,167,801	4,051,238,721
	₱12,421,909,090	₱12,394,980,010

In 2023, 2022 and 2021, the Group recognized leasing revenue from the use of the said real properties amounting to ₱1,293.12 million, ₱1,362.47 million and ₱1,200.36 million, respectively, and incurred direct cost of leasing amounting to ₱438.49 million, ₱440.82 million and ₱352.04 million, respectively, in relation to these investment properties.

The carrying values of investment properties mortgaged for trust receipts payables and bank loans amounted to ₱8,444.03 million and ₱8,415.78 million as of December 31, 2023 and 2022, respectively (see Note 17).

In 2022 and 2021, the Group sold portion of its medical office at a loss amounting to ₱0.82 million and ₱34.13 million, respectively (see Note 24). The Group has no restrictions on the realizability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancement, other than those already reflected or disclosed in the consolidated financial statements.

The Group recorded gain on fair value of investment properties amounting to ₱26.93 million, ₱28.25 million and ₱225.50 million in 2023, 2022 and 2021, respectively.

Investment properties are stated at fair value, which has been determined based on valuations performed by a SEC-accredited independent valuer as of December 31, 2023 and 2022.

For the Group's leasing properties, the Group adopted the discounted cash flow analysis which considers the future cash flows from lease contracts. The fair value of the investment properties classified as buildings and land in the consolidated financial statements is categorized within Level 3 of the fair value hierarchy.



The key assumptions used to determine the fair value of the investment properties and sensitivity analyses are as follows:

Property	Valuation technique	Significant unobservable inputs	Range	
			2023	2022
Land and Buildings	DCF	Discount rates for similar lease contracts, market rent levels, expected vacancy and expected maintenance.	Discount rate – 10.30% to 11.80%	Discount rate - 11.26 % to 12.48%
			Market rent levels - ₱400 to ₱1,500/sqm per month	Market rent levels - ₱400 to ₱1,500/sqm per month
			Expected vacancy - 5% to 30%;	Expected vacancy - 5% to 45%
			Expected maintenance - 1% to 5% of gross revenue	Expected maintenance - 2% to 10% of gross revenue

For DCF, significant increases (decreases) in estimated market rent levels and rent growth per annum in isolation would result in a significantly higher (lower) fair value of the investment properties. Significant increases (decreases) in the expected vacancy rate and discount rate in isolation would result in a significantly lower (higher) fair value.



12. Property and Equipment

The composition and movements of this account are as follows:

	2023						
	Office Furniture and Equipment	Transportation Equipment	Leasehold Improvements	Construction Equipment	Building	Right-of-use Assets	Total
Cost							
At January 1	₱211,975,833	₱65,753,463	₱118,430,057	₱251,492,426	₱2,352,409,555	₱87,865,463	₱3,087,926,797
Additions	24,378,906	—	10,258,608	48,882,308	—	27,764,862	111,284,684
Disposal	—	(6,903,706)	—	—	—	—	(6,903,706)
Transfer to real estate inventories (Note 7)	—	—	—	—	(1,152,684,987)	—	(1,152,684,987)
At December 31	236,354,739	58,849,757	128,688,665	300,374,734	1,199,724,568	115,630,325	2,039,622,788
Accumulated Depreciation							
At January 1	155,422,310	59,074,001	78,606,246	251,492,426	—	59,016,349	603,611,332
Depreciation	22,865,768	1,673,626	7,925,626	3,664,847	18,845,605	15,182,531	70,158,003
Disposal	—	(6,903,706)	—	—	—	—	(6,903,706)
At December 31	178,288,078	53,843,921	86,531,872	255,157,273	18,845,605	74,198,880	666,865,629
Net Book Values at December 31	₱58,066,661	₱5,005,836	₱42,156,793	₱45,217,461	₱1,180,878,963	₱41,431,445	₱1,372,757,159

	2022							
	Office Furniture and Equipment	Transportation Equipment	Leasehold Improvements	Construction Equipment	Construction - in -Progress	Building	Right-of-use Assets	Total
Cost								
At January 1	₱179,133,503	₱64,588,284	₱80,459,530	₱251,492,426	₱1,707,342,137	₱—	₱87,865,463	₱2,370,881,343
Additions	32,842,330	1,165,179	37,970,527	—	88,247,097	—	—	160,225,133
Transfer from Investment Property (Note 11)	—	—	—	—	556,820,321	—	—	556,820,321
Transfer to Building	—	—	—	—	(2,352,409,555)	2,352,409,555	—	—
At December 31	211,975,833	65,753,463	118,430,057	251,492,426	—	2,352,409,555	87,865,463	3,087,926,797
Accumulated Depreciation								
At January 1	140,875,376	57,800,457	71,753,066	251,492,426	—	—	33,123,849	555,045,174
Depreciation	14,546,934	1,273,544	6,853,180	—	—	—	25,892,500	48,566,158
At December 31	155,422,310	59,074,001	78,606,246	251,492,426	—	—	59,016,349	603,611,332
Net Book Values at December 31	₱56,553,523	₱6,679,462	₱39,823,811	₱—	₱—	₱2,352,409,555	₱28,849,114	₱2,484,315,465



Property and equipment include Building that pertains to the following:

- 152 CALC owned units in Novotel Suites Manila at Acqua 6 Tower of Acqua Private Residences amounting to ₱642.90 million and ₱635.20 million as of December 31, 2023 and 2022, respectively
- 158 units CLC owned units in Novotel Suites Manila at Acqua 6 Tower of Acqua Private Residences amounting to ₱1,52.68 million as of December 31, 2022.

In 2023, the Group, as approved by the BOD, decided to reclassify its 158 units in Novotel Suites Manila at Acqua 6 with a total cost of 1,152.68 million from the hotel pool to residential units for sale.

- The Pebble (four-storey waterfront clubhouse) of Acqua Private Residences amounted to ₱556.82 million and ₱545.68 million as of December 31, 2023 and 2022, respectively.

As of December 31, 2023 and 2022, there are no restrictions on the items of property and equipment of the Group and none of these are pledged as security for the Group's obligations.

The depreciation and amortization of property and equipment in 2023, 2022 and 2021 are recognized as follows:

	2023	2022	2021
General, administrative, and selling expenses (see Note 21)	₱70,158,003	₱48,566,158	₱60,455,533

There is no interest expense or borrowing cost capitalized for Property and Equipment in 2023, 2022 and 2021.

13. Other Assets

This account consists of:

	2023	2022
Current:		
Prepaid commissions	₱689,553,895	₱823,634,164
Input taxes	480,309,960	374,339,654
Creditable withholding taxes	333,995,593	360,268,502
Prepaid expenses	122,770,169	60,422,350
Deferred financing cost	19,978,705	—
Others	33,283,294	23,378,298
	₱1,679,891,616	₱1,642,042,968
Noncurrent:		
Prepaid commissions	₱80,921,110	₱397,465,932
Creditable withholding taxes	330,156,449	243,553,449
Advances to landowners	259,024,174	259,024,174
Rental deposits (Note 28)	94,247,911	95,958,665
Input taxes	93,892,220	55,864,797
Intangible assets	43,311,171	42,342,033
Others	29,865,318	26,815,299
	₱931,418,353	₱1,121,024,349



Prepaid commissions pertain to capitalized commission expenses payable to its agents on the sale of its real estate projects related to contracts that have qualified for revenue recognition. These will be recognized as commission expense under “General, administrative and selling expenses” in the period in which the related real estate sales are recognized. This also includes prepayments to Century Integrated Sales, Inc. (CISI) for future services of CISI in relation to managing the Group’s sales activities which amounted to nil and ₱123.31 million as of December 31, 2023 and 2022, respectively (see Note 16).

Input taxes are fully realizable and will be applied against output VAT.

Creditable withholding taxes are attributable to taxes withheld by third parties arising from real estate sale, property management fees and leasing revenues.

Advances to landowners pertains to the initial payment made by the Group, in accordance to its memorandum of agreement to acquire 56 hectares of property to developed a beach style lifestyle destination in the Municipality of Palawan. The total advances paid for the property amounted to ₱259.02 million as of December 31, 2023 and 2022.

Prior to 2022, advances to landowners, also included advances made by the Group for the purchase of land which will be developed into a condominium project to be held for sale in the future amounting to ₱419.23 million. The title of the said land was also transferred to Group in 2022 and the related advances were applied as part of the payment for the purchase of land (see Notes 7 and 9).

Rental deposits mostly pertain to security deposits held and applied in relation to the Group’s lease contracts for its administrative and sales offices. The deposits are noninterest-bearing and are recoverable through application of rentals at the end of the lease term (see Note 29).

Intangible assets include software costs and trademarks. Software cost includes application software and intellectual property licenses owned by the Group. Trademarks are licenses acquired separately by the Group. These licenses arising from the Group’s marketing activities have been granted for a minimum of 10 years by the relevant government agency with the option to renew at the end of the period at little or no cost to the Group. Previous licenses acquired have been renewed and enabled the Group to determine that these assets have an indefinite useful life. The related amortization is charged to expense as “Depreciation and amortization” in the “General, administrative and selling expenses” account amounting to ₱11.72 million, ₱7.42 million and ₱7.12 million in 2023, 2022 and 2021, respectively (see Note 21). Additions to software amounted to ₱12.69 million and nil in 2023 and 2022, respectively.



14. Accounts and Other Payables

This account consists of:

	2023	2022
Accounts payable	₱2,602,712,570	₱1,932,462,937
Accrued expenses		
Commissions	383,675,714	450,024,271
Salaries	293,062,052	306,878,946
Taxes	114,340,108	85,133,881
Interest	24,301,440	50,998,859
Others	10,322,971	95,121,839
Customers' advances	2,367,510,254	1,651,799,539
Retention payable	399,446,373	307,624,517
Dividends payable	—	52,980,641
Other payables	24,193,790	61,667,478
	₱6,219,565,272	₱4,994,692,908

Accounts payable are attributable to the construction costs incurred by the Group. These are noninterest-bearing and with terms of 15 to 90 days.

Customers' advances pertain to funding from buyers of real estate for future application against transfer and registration fees and other taxes to be incurred upon transfer of properties to the buyer. The movement of customers' advances is mainly due to advance payment of buyers less fees incurred for the turned over properties.

Retention payable is noninterest-bearing and is normally settled on a 30-day term upon completion of the relevant contracts.

Others under "Accrued expenses" consist mainly of utilities, marketing costs, professional fees, communication, transportation and travel, security, insurance, taxes and representation.

15. Contract Liabilities

Contract liabilities consist of collections from real estate customers which have not qualified for revenue recognition and excess of collections over the recognized receivables based on percentage of completion. The movement in contract liability is mainly due to reservation sales and advance payment of buyers less real estate sales recognized upon reaching the equity threshold and from increase in percentage of completion. As of December 31, 2023 and 2022, carrying values of contract liabilities amounted to ₱3,873.08 million and ₱2,769.10 million, respectively.

16. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.



Terms and Conditions of Transactions with Related Parties

The Group in their regular conduct of business has entered 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 at normal market prices. Outstanding balances at year-end are unsecured and noninterest-bearing. There have been no guarantees provided or received for any related party receivables or payables. Related party transactions are settled in cash.

The Group has material related party transactions policies containing the approval requirements and limits on amounts and extent of related party transactions in compliance with the requirements under the Revised SRC Rule 68 and SEC Memorandum Circular 10, series of 2019.

The Group has an approval requirement such that material related party transactions shall be reviewed by the Related Party Transactions Committee (the Committee) and endorsed to the BOD for approval. Material related party transactions are those transactions that meet the threshold value as approved by the Committee amounting to ₱50.0 million and other requirements as may be recommended by the Committee.

The related party transactions are shown under the following accounts in the consolidated financial statements:

Due from Related Parties

	Outstanding balances		Amount of transactions		Terms and Conditions
	2023	2022	2023	2022	
Ultimate Parent	₱866,610,929	₱270,437,913	₱596,173,016	₱55,724,177	
Officers and stockholders	230,977,152	223,177,152	7,800,000	30,914,494	
Under common control					Noninterest bearing, due and demandable, unsecured, no impairment
CISI	450,659,309	450,659,309	—	361,859,660	
CGIC	77,093	77,093	507	26,111	
CRIT	507	10,821	(10,314)	(13,372)	
Entity managed by a related party					
CAC	17,918,763	30,960,415	(13,041,653)	13,251,147	
Centuria Pharma	—	—	—	(13,402,348)	
	₱1,566,243,753	₱975,322,703	₱590,921,556	₱448,359,869	

Due to Related Parties

	Outstanding balance		Amount of transaction		Terms and Conditions
	2023	2022	2023	2022	
Ultimate Parent	₱243,861,878	₱237,284,750	₱6,577,128	₱1,581,435	Noninterest bearing, due and demandable, unsecured
CGIC	456,360	456,360	—	456,360	
Officers and stockholders	139,778,855	120,319,516	19,459,339	38,664,097	
	₱384,097,093	₱358,060,626	₱26,036,467	₱40,701,892	



The related party transactions that are eliminated during consolidation follow:

Due from Related Parties

	Outstanding balance		Amount of transaction		Terms and Conditions
	2023	2022	2023	2022	
Parent Company					
CPGI	₱10,065,843,663	₱9,064,111,278	₱1,001,732,385	(₱1,381,974,857)	Noninterest bearing, due and demandable, unsecured, no impairment
Subsidiaries:					
CLC	919,775,362	627,336,705	292,438,657	105,166,213	
PPHI	810,621,487	251,778,440	558,843,047	180,300,355	
CCDC	5,708,043,800	5,860,822,133	(152,778,333)	2,464,278,925	
CCC	50,000	—	50,000	—	
CPMI	49,347,739	28,887,209	20,460,530	11,652,472	
	₱17,553,682,051	₱15,832,935,765	₱1,720,746,286	₱1,379,423,108	

Due to Related Parties

	Outstanding balance		Amount of transaction		Terms and Conditions
	2023	2022	2023	2022	
Parent Company					
CPGI	₱286,846,959	₱587,172,368	(₱300,325,409)	₱533,182,289	
Subsidiaries:					
CLC	9,280,293,925	7,312,572,120	1,967,721,805	210,751,714	Noninterest bearing, due and demandable, unsecured
PPHI	10,126,762	5,110,917	5,015,845	862,766	
CCDC	6,466,358,204	6,440,626,413	25,731,791	531,617,140	
CCC	1,232,573,042	1,211,347,545	21,225,497	78,676,165	
CPMI	23,597,970	22,295,605	1,302,365	20,308,290	
CDLC	253,885,189	253,810,797	74,392	4,024,744	
	₱17,553,682,051	₱15,832,935,765	₱1,720,746,286	₱1,379,423,108	

Significant transactions of the Group with related parties are described below:

Due from related parties pertains to advances provided by the Group to the stockholders and other affiliates.

Due to related parties pertains to advances made by the Group to its affiliates and stockholders for their respective capital expenditures. These are generally noninterest-bearing and are due and demandable.

In 2023, CPMI wrote-off its advances to Centuria Pharma Group, Inc. amounting to ₱12.83 million (see Note 21).

Management agreement

In 2018, the Group contracted CISI to manage all of its sales and marketing activities. CISI is a wholly owned subsidiary of CPI. Prepayments to CISI for initial marketing services recognized under “Other current assets” account as of December 31, 2023 and 2022 amounted to nil and ₱123.31 million, respectively (see Note 13). As of December 31, 2023, the management contract was temporarily put on hold by both parties to revisit sales and marketing strategies.



Key management compensation

The key management personnel of the Group include all directors, executive, and senior management. The details of compensation and benefits of key management personnel in 2023, 2022 and 2021 follow:

	2023	2022	2021
Short-term employee benefits	₱115,183,326	₱108,663,515	₱94,490,013
Post-employment benefits	5,759,242	5,433,247	4,724,563
	₱120,942,568	₱114,096,762	₱99,214,576

17. Short-term and Long-term Debts

Short-term Debts

The rollforward of the Group's short-term debts follows:

	2023			2022		
	Trust receipts	Bank loans	Total	Trust receipts	Bank loans	Total
Beginning balance	₱235,141,310	₱—	₱235,141,310	₱468,360,083	₱—	₱468,360,083
Availments	181,828,504	852,000,000	1,033,828,504	658,904,094	—	658,904,094
Repayments	(391,305,343)	(86,000,000)	(477,305,343)	(892,122,867)	—	(892,122,867)
Ending balance	₱25,664,471	₱766,000,000	₱791,664,471	₱235,141,310	₱—	₱235,141,310

Trust receipts

Trust receipts (TRs) are facilities obtained from various banks to finance purchases of construction materials the Group's projects. The TRs have average interest rates ranging from 6.62% to 8.00% and 5.72% to 6.62% in 2023 and 2022, respectively. These are paid monthly or quarterly in arrears with full payment of principal balance at maturity of one year and with an option to prepay.

Bank loans

Bank loans pertain to the following various short-term promissory note (PN) obtained by the Group:

- From June to September 2023, the Group availed of short-term PNs from Philippine National Bank (PNB) totaling to ₱342.00 million with interest rates ranging from 6.70% to 7.15%, which is payable monthly until full payment. In 2023, the Parent Company made repayments amounting ₱86.00 million.
- In 2023, the Group availed of a short-term PN facility with Philtrust Bank with total amount of ₱465.00 million with an interest rate of 8.00% per annum, which is payable monthly until full payment or renewal annually.
- In 2023, the Group availed of a short-term PN facility with Chinabank Saving Bank with total amount of ₱30.00 million with an interest rate of 8.38% per annum, which is payable monthly until full payment.
- In 2023, the Group availed of a short-term PN facility with Bank of the Philippine Islands with total amount of ₱15.00 million with an interest rate of 7.75% per annum, which is payable monthly until full payment or renewal annually.



Long-term Debt

As of December 31, 2023 and 2022, this account consists of:

	2023	2022
Long-term debt:		
Bank loans	₱9,045,691,229	₱9,012,998,322
Payable under CTS financing	1,306,542,403	1,992,662,424
Car loan financing	—	654,796
	10,352,233,632	11,006,315,542
Less current portion	3,851,897,104	2,192,453,618
Noncurrent portion	₱6,500,336,528	₱8,813,861,924

The roll-forward of the Group's long-term debt is as follows:

	2023			
	Bank Loans	CTS Financing	Car Loan Financing	Total
Principal:				
Balances at beginning of year	₱9,073,938,425	₱1,992,662,425	₱654,796	₱11,067,255,646
Addition	1,900,000,000	679,269,259	—	2,579,269,259
Payments	(1,866,426,429)	(1,365,389,281)	(654,796)	(3,232,470,506)
Balances at end of year	9,107,511,996	1,306,542,403	—	10,414,054,399
Deferred financing costs:				
Balances at beginning of year	60,940,103	—	—	60,940,103
Addition	27,140,500	—	—	27,140,500
Amortization	(26,259,836)	—	—	(26,259,836)
Balances at end of year	61,820,767	—	—	61,820,767
Carrying values	₱9,045,691,229	₱1,306,542,403	—	₱10,352,233,632

	2022			
	Bank Loans	CTS Financing	Car Loan Financing	Total
Principal:				
Balances at beginning of year	₱9,031,728,633	₱2,891,444,012	₱3,501,544	₱11,926,674,189
Addition	5,298,744,131	818,702,217	—	6,117,446,348
Payments	(5,256,534,339)	(1,717,483,805)	(2,846,748)	(6,976,864,892)
Balances at end of year	9,073,938,425	1,992,662,424	654,796	11,067,255,645
Deferred financing costs:				
Balances at beginning of year	88,066,839	—	—	88,066,839
Addition	46,897,795	—	—	46,897,795
Amortization	(74,024,531)	—	—	(74,024,531)
Balances at end of year	60,940,103	—	—	60,940,103
Carrying values	₱9,012,998,322	₱1,992,662,424	₱654,796	₱11,006,315,542



Bank Loans

Bank loans pertains to the following various long-term debt availed by the Group:

Date of availment	2023 (in millions)	2022 (in millions)	Maturity	Interest Rate
November 2023,	₱1,500	₱—	November 2028	8.06%; Fixed up to 2 years only; Repricing on November 2025
January - December 2023	400	—	Various maturities until July 2026	8.21%-9.08%; Quarterly repricing
August and October 2022	3,894	3,984	October 2027	7.39%; Fixed up to 2 years only; Quarterly repricing by Aug 2024
October 2019	2,434	2,853	September 2024	7.75%; Semi-annual repricing
July and September 2021	1	535	March 2024	5.25%; Fixed until maturity
December 2022	427	500	September 2026	8.50%; Annual repricing
May 2021	202	274	May 2025	4.65%; Annual repricing
September - October 2019	250	535	September 2024	8.75%; Annual repricing
September 2019 and 2022	—	393	Various maturities until September 2023	8.00% Quarterly repricing
	₱9,108	₱9,074		

Interest and principal payments are payable on a quarterly basis for all of the above bank loans.

CTS financing

CTS financing pertains to loan facilities which were used in the construction of the Group's real estate development projects. The related PNs have terms ranging from twelve (12) to forty-eight (48) months and are secured by the buyer's post-dated checks, the corresponding CTS, and parcels of land held by the Parent Company. The Group retained the assigned ICRs and recorded the proceeds from these assignments as "Long-term debt". These CTS loans bear fixed interest rates ranging from 5.88% to 8.50% and 6.07% to 9.50% as December 31, 2023 and December 31, 2022, respectively (see Note 6).

Security and Debt Covenants

Certain bilateral, trust receipts, payables under CTS financing and bank loans have mortgaged real estate inventories and assigned ICRs and contract assets wherein such assets can no longer be allowed to be separately used as collateral for another credit facility, grant loans to directors, officers and partners, and act as guarantor or surety in favor of banks. As of December 31, 2023 and 2022, the carrying values of these assets mortgaged for trust receipts, payables under CTS financing and bank loans are as follows:

	2023	2022
Real estate inventories	₱2,296,480,207	₱1,281,943,917
ICR	921,957,349	1,303,147,610
Investment properties	8,444,029,839	8,415,779,604



Certain bilateral loans have covenants to maintain a debt-to-equity ratio of not more than 2.33x and a debt service coverage ratio of at least 1.5x and current ratio of 1.2x. Debt includes note payables, short term and long-term debt. The bank loans have a covenant, specific to the projects it is financing, of having loan to security value of no more than 50% to 60%. Security value includes, among other things, valuation appraisal by independent appraisers and takes into account the sold and unsold sales and market value of the properties. The loan agreements require submission of the valuation of each mortgage properties on an annual basis or upon request of the facility agent. As of December 31, 2023 and 2022, the Company complied with the provisions of its debt covenants.

Under the term loan agreement with CBC, the Parent Company pledged its shares over CCDC II amounting to ₱1,900.00 million. The Pledged Shares include the following:

- the Acquisition Shares, including the Directors' Shares, and the After Acquired Shares and all the rights, title and interest of any kind or character therein, together with all accessory contracts in relation thereto;
- all rights, benefits, dividends, loss proceeds, indemnities, insurance payments, and other payments received by or due to the Security Grantor in lieu of, or inherent to, or in connection with, the Pledged Shares; and
- all Property of every nature and description whether now owned or hereafter acquired as proceeds for, in exchange for, in substitution of, or replacement of any of the Pledged Shares.

Borrowing Costs

- Borrowing cost capitalized amounted to ₱157.11 million and ₱214.15 million for the years ended December 31, 2023, and 2022, respectively (see Note 7).

Interest Expense and Other Finance Charges

- Interest and other financing charges for the short-term and long-term debts for the years ended December 31, 2023, 2022 and 2021 totaled to ₱632.90 million, ₱399.02 million and ₱386.31 million, respectively (see Note 25).

18. Liabilities from Purchased Land

This account pertains to the outstanding payable of the Group for the cost of land purchases recognized under "Real estate inventories" as follows:

	2023	2022
Current	₱49,484,077	₱67,200,000
Noncurrent	—	63,782,533



19. Bonds Payable

This account consists of the following:

	December 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Principal		
Balances at the beginning of year	₱6,000,000,000	₱6,000,000,000
Addition	3,000,000,000	3,000,000,000
Repayment	—	(3,000,000,000)
	9,000,000,000	6,000,000,000
Deferred financing cost:		
Balances at the beginning of year	82,746,077	52,804,571
Addition	82,114,920	69,907,011
Amortization	(42,298,101)	(39,965,505)
Balances at the end of period	122,562,896	82,746,077
Carrying value	8,877,437,104	5,917,253,923
Less: Current portion	3,000,000,000	—
Non-current portion	₱5,877,437,104	₱5,917,253,923

On March 3, 2023, the Certificate of Permit to Offer Securities for Sale was approved by the Securities and Exchange Commission relative to the Parent Company's Second Tranche Offer of Fixed Rate Retail Bonds consisting of up to Two Billion Pesos (₱2,000,000,000) with an Over-subscription Option of up to One Billion Pesos (₱1,000,000,000), worth of Fixed Rate Bonds comprising of 6.5760% per annum three (3) year fixed rate bonds ("Series A Bonds"), 7.4054% per annum five (5) year fixed rate bonds ("Series B Bonds") and 7.6800% per annum seven (7) year fixed rate bonds ("Series C Bonds"), under its Six Billion Pesos (₱6,000,000,000) Debt Securities Program Shelf Registration. This bond was listed at the PDEX on March 17, 2023. The bonds are rated "AA+" by Credit Rating and Investor Services Philippines Inc. (CRISP). Total debt issue costs amounted to ₱82.11 million and were capitalized as debt issue costs to be amortized over the life of the bonds.

On February 11, 2022, the Securities and Exchange Commission approved the application of the Parent Company's Shelf Registration of Debt Securities in the aggregate amount of Six Billion Pesos (₱6,000,000,000) to be offered within a period of 3 years or such period as Securities and Exchange Commission may allow at an Issue Price of 100% of Face Value. The First Tranche of the Fixed Rate Retail Bonds is Two Billion Pesos (₱2,000,000,000) with an Oversubscription Option of up to One Billion Pesos (₱1,000,000,000) Five (5)-Year Fixed Retail Bonds due 2027.

On February 24, 2022, the Parent Company listed at the PDEX its five-year bonds, with interest rates of 5.7524%% p.a. The bonds are rated "AA" by Credit Rating and Investor Services Philippines Inc. (CRISP).

On April 15, 2019, CPGI listed at the PDEX its three-year bonds, with interest rates of 7.8203% p.a. The ₱3.00 billion proceeds of the bonds will be used to partially finance development costs for CPGI's affordable housing and townhome projects. The bonds are rated "AA" by Credit Rating and Investor Services Philippines Inc. (CRISP). In 2022, the said three-year bonds amounting to ₱3.00 billion were paid in full.

Interest Expense and Other Finance Charges

Interest and other financing charges from bonds payable in 2023, 2022 and 2021 amounted to ₱453.30 million, ₱392.13 million and ₱404.00 million, respectively (see Note 25).



The Group's Bond payable have covenants to maintain a debt-to-equity ratio of not more than 2.00x, debt service coverage ratio of at least 1.5x and current ratio of 1.5x. As of December 31, 2023 and 2022, the Company complied with the provision of its debt covenant.

20. Equity

Earnings per share

Basic earnings per share amounts attributable to equity holders of the Parent Company in 2023, 2022 and 2021 are as follows:

	2023	2022	2021
Net income attributable to the owners of the Parent Company	₱1,321,395,609	₱901,290,468	₱950,750,431
Dividends to preferred shares	100,765,499	201,531,000	201,531,000
	1,220,630,110	699,759,468	749,219,431
Weighted average number of shares	11,599,600,690	11,599,600,690	11,599,600,690
Basic earnings per share	₱0.11	₱0.060	₱0.065

Earnings per share are calculated using the consolidated net income attributable to the equity holders of Parent Company less dividend declared to preferred shares divided by the weighted average number of shares. The Group has no potentially dilutive ordinary shares as of December 31, 2023, 2022 and 2021.

Common shares

The Group's authorized capital stock and issued and subscribed shares amounted to 15,000,000,000 shares and 11,699,723,690 shares, respectively as of December 31, 2023 and 2022. There are no movements in the Group's authorized, issued and subscribed shares in 2023, 2022 and 2021.

The following summarizes the Group's record of registration of securities under the Revised Securities Regulation Code:

On February 09, 2000, the Parent Company was listed with the Philippine Stock Exchange with a total of 3,554.72 million common shares, issued, paid and outstanding. The offering of the shares was at ₱1.00 per share.

On November 11, 2014, the Philippine Stock Exchange, Inc. approved the application of the Group to list additional 730.32 million common shares, with a par value of ₱0.53 per share, to cover the Group's 20.62% stock dividend declaration to stockholders of record as of October 27, 2014 which was paid on November 14, 2014.

On August 30, 2019, the Group's BOD authorized and approved the amendment of the stockholders' resolution dated September 29, 2017, specifically: (a) change in the par value of the proposed reclassified 3.00 billion Preferred Shares from ₱1.00 to ₱0.53 per share and (b) no increase in the authorized capital stock of the Parent Company, together with the consequent amendment of article nine of the amended articles of incorporation of the Parent Company. The amendment was approved by the SEC in January 2020.

As of December 31, 2023 and 2022, the Parent Company had 496 stockholders with at least one board lot at the PSE, for a total of 11,599,600,690 (₱0.53 par value) issued and outstanding common shares.



Preferred stock

On January 10, 2020, the Parent Company listed at the main board of the PSE its maiden follow-on offering of preferred stock under the trading symbol “CPGP”. These preferred shares are cumulative, non-voting, non-participating and redeemable at the option of the Parent Company. The Parent Company offered 20 million preferred stock at ₱100.00 each with an oversubscription option of up to 10 million preferred stock on December 16, 2019 to January 3, 2020, after the SEC issued an order rendering the Registration Statement that was filed on October 19, 2019 effective and a corresponding permit to offer the securities for sale. The initial dividend rate was set at 6.7177% per annum. The dividends on the preferred stock shall be paid quarterly, every January 10, April 10, July 10, and October 10 of each year.

The 30,000,000 preferred stock with a par value of ₱0.53 were fully subscribed totaling ₱15.90 million. Additional paid-in capital from preferred stock amounted ₱2,984.10 million and issuance cost totaled ₱99.06 million resulting in a net additional paid-in capital ₱2,885.03 million. Total cash received from issuance of preferred shares amounted to ₱2,910.77 million.

On July 10, 2023, the Parent Company fully redeemed its ₱3,000 million Cumulative, Non-Voting, Non-Convertible, Non-Participating, Redeemable Peso-denominated Preferred Shares (“Preferred Shares” or “CPGP”). The redemption price was the issue price of P100.00 per share, plus any accumulated unpaid cash dividends. The redemption of shares is treated as treasury shares recorded at cost.

Treasury shares

On January 7, 2013, the BOD of the Parent Company approved a share buyback program for those shareholders who opt to divest of their shareholdings in the Parent Company. A total of ₱800.00 million worth of shares were up for buyback for a time period of up to 24 months. In 2014 and 2013, a total of 85.68 million shares and 14.44 million shares were reacquired at a total cost of ₱87.15 million and ₱22.52 million, respectively.

As of December 31, 2023, treasury shares amounted to ₱3,109.67 million consisting of 100.12 million common shares and 30.00 million preferred shares. As of December 31, 2022, treasury shares amounted to ₱109.67 million consisting of 100.12 million common shares.

Retained earnings

Retained earnings include the accumulated equity in undistributed net earnings of consolidated subsidiaries amounting to ₱8,484.58 million and ₱10,404.43 million as of December 31, 2023 and 2022, respectively. These are not available for dividend distribution unless declared by subsidiaries and other investees.

The subsidiaries’ retained earnings available for dividend declaration, after reconciling items, amounted to ₱4,406.41 million and ₱6,353.19 million as of December 31, 2023 and 2022, respectively. Reconciling items include non-cash income from accumulated gains from fair value of investment property amounting ₱4,078.17 million and ₱4,051.24 million, as of December 31, 2023 and 2022, respectively (see Note 11).

Retained earnings are further restricted for the payment of dividends to the extent of the cost of treasury shares.



Cash dividend declaration

The Board of Directors (BOD) of CPGI approved the following dividend declaration in 2023, 2022 and 2021.

	Date of Declaration	Total Amount of Dividends	Dividends per share/ Dividend rate	Shares Record Date	Date of Payment
<i>Dividend for:</i>					
Common Shares	June 29, 2023	₱70,237,954	₱0.006055	July 28, 2023	August 11, 2023
Common Shares	June 29, 2023	70,237,954	₱0.006055	September 29, 2023	October 13, 2023
Preferred Shares	March 8, 2023	50,382,750	6.7177%	July 5, 2023	July 10, 2023
Preferred Shares	March 8, 2023	50,382,750	6.7177%	April 3, 2023	April 11, 2023
2023		₱241,241,408			
Preferred Shares	December 6, 2022	₱50,382,750	6.7177%	January 5, 2023	January 10, 2023
Preferred Shares	August 11, 2022	50,382,750	6.7177%	October 5, 2022	October 10, 2022
Preferred Shares	May 26, 2022	50,382,750	6.7177%	July 6, 2022	July 11, 2022
Preferred Shares	February 4, 2022	50,382,750	6.7177%	April 6, 2022	April 11, 2022
2022		₱201,531,000			
Common Shares	July 21, 2021	₱57,486,898	₱0.0050	August 6, 2021	August 18, 2021
Common Shares	July 21, 2021	57,486,897	₱0.0050	October 7, 2021	October 18, 2021
Preferred Shares	November 29, 2021	50,382,750	6.7177%	January 5, 2022	January 10, 2022
2021		₱165,356,545			

Total unpaid dividends amounted to nil and ₱52.96 million as of December 31, 2023, and December 31, 2022, respectively (see Note 14).

Non-controlling interest

On May 31, 2023, the Board of Directors (BOD) of CPGI approved the acquisition of 1,060,000,000 common shares with a par value of ₱1.00 per common share from Mitsubishi Corporation (MC), representing the latter's 40% ownership interest in PPHI, and 265,000 Preferred B shares with a par value of ₱1,000 per share owned by MC in PPHI. The Philippine Competition Commission (PCC) has approved the above transaction on August 9, 2023, and on November 24, 2023, CPGI concluded the acquisition at a transaction price of ₱1.09 per common share and ₱1,085.28 per preferred share. The difference between the acquisition price of ₱1,438.00 million and the carrying value of NCI of ₱2,155.32 million as of October 30, 2023, amounting to ₱717.32 million, was recognized in the Group's equity reserve.

On May 31, 2023, the Board of Directors of the Century Limitless Corporation (CLC) also approved the acquisition of the 40% shareholdings of MC in the following subsidiaries:

- 409,780 common shares with par value of ₱100.00 per share and 175,620 preferred shares with par value of ₱100.00 per share in TPI I.
- 140,000 common shares with par value of ₱100.00 per share of MC in TPI II.
- 120,000 common shares with par value of ₱100.00 per share of MC in TPI III.

The PCC has approved the above transaction on August 9, 2023 and on November 24, 2023, CLC completed the above acquisition for a total acquisition price of ₱141.00 million. The difference between the acquisition price and the carrying value of NCI of ₱135.03 million as of October 30, 2023, amounting to ₱5.97 million, was recognized in the Group's equity reserve.

As of December 31, 2023, the Group still holds the escrow account related to the share purchase agreement with MC amounting to ₱78.95 million which is equivalent 5% of the total transaction price.



On December 15, 2022, CALC recognized the equity portion of its deposit for preferred shares subscription. This resulted to increase in non-controlling interest amounting to ₱54.18 million (see Note 33).

Non-controlling interest - dividends declared

The BOD of CPGI subsidiaries approved the following dividend declarations to non-controlling interest.

	Date of Declaration	Total Amount of Dividends	Dividends per share	Dividend declared to NCI	Date of Payment
<i>Declared by:</i>					
TPI I	May 30, 2023	₱78,000,000	₱177.66	₱31,200,000	May 31, 2023
TPI II	May 30, 2023	24,000,000	68.57	9,600,000	May 31, 2023
TPI III	May 30, 2023	160,500,000	535.00	64,200,000	May 31, 2023
PPHI	May 30, 2023	987,500,000	0.37	395,000,000	May 31, 2023
2023		₱1,250,000,000		₱500,000,000	
TPI I	June 29, 2022	₱70,000,000	₱159.44	₱28,000,000	June 30, 2022
TPI II	June 29, 2022	230,000,000	657.14	92,000,000	June 30, 2022
TPI III	June 29, 2022	200,000,000	666.67	80,000,000	June 30, 2022
2022		₱500,000,000		₱200,000,000	
TPI II	September 21, 2021	₱400,000,000	₱1,142.86	₱160,000,000	September 30, 2021
2021		₱400,000,000		₱160,000,000	

Non-controlling interest - additional issuances

In 2022, PPHI issued additional 354 million common shares with a par value of ₱1.00 and 96,000 preferred shares with ₱1,000.00 par value per share to CPGI. At the same time, PPHI also issued 254 million common shares with a par value of ₱1.00 and 64,000 preferred shares with ₱1,000.00 par value per share to Mitsubishi Corporation (MC). which resulted into an aggregate increase in the non-controlling interest amounting to ₱320.00 million.

On March 26, 2021, PPHI approved the declaration of ₱223.10 per share cash dividends to its Preferred A shareholders amounting to ₱80.65 million. The dividends were paid on May 26, 2021. The Parent Company holds the Preferred A shares, thus, was eliminated in the consolidated financial statements.

In 2021, PPHI issued additional ₱240 million common shares with a par value of ₱1.00 and 60,000 preferred shares with ₱1,000.00 par value to CPGI and ₱160 million common share with a par value of ₱1.00 and 40,000 preferred shares with a par value ₱1,000.00 to MC, which resulted into an aggregate increase in the non-controlling interest amounting to ₱200.00 million.



Other components of equity

Other components of equity mainly pertain to the equity reserve recognized between the consideration paid by MC and the carrying value of the net assets of TPI I, TPI II, TPI III and Century City Development Corp II (CCDC II) given up amounting to ₱104.49 million as of December 31, 2020. In 2020, CPGI acquired the total outstanding shares held by MC in CCDC II. The difference between the acquisition price paid by CPGI and the value of the non-controlling interest held by MC in CCDCII as of August 24, 2020, amounting to ₱782.24 million, was charged against the Group's equity reserve.

In 2023, the Group acquired the total outstanding shares held by MC in its subsidiaries, TPI I, TPI II, TPI III and PPHI. The difference between the total acquisition price of ₱1,579.00 million and the carrying amount of NCI as of October 30, 2023 amounting to ₱2,290.35 million, which amounted to ₱711.35 million, was recognized in the Group's equity reserve.

Other components of equity also include the remeasurement loss on equity instruments at FVOCI amounting to ₱5.45 million as of December 31, 2023 and December 31, 2022.



The financial information of subsidiaries that have material non-controlling interests is provided below.

Summarized statements of financial position (in millions) as of December 31, 2023 and 2022:

	TPI I		TPI II		TPI III		PPHI	
	2023	2022	2023	2022	2023	2022	2023	2022
Current assets	₱363.71	₱457.27	₱375.68	₱469.61	₱499.11	₱595.92	₱12,453.87	₱11,035.03
Noncurrent assets	0.00	0.41	—	0.30	0.06	0.64	100.83	139.38
Current liabilities	(138.62)	(150.98)	(342.89)	(307.75)	(343.36)	(325.37)	(6,408.99)	(4,568.41)
Noncurrent liabilities	(18.27)	(29.59)	(14.61)	(91.39)	(37.31)	(74.43)	(858.64)	(1,756.01)
Total equity	₱206.82	₱277.11	₱18.18	₱70.77	₱118.50	₱196.76	₱5,287.07	₱4,849.99
Attributable to:								
Equity holders of the Parent Company	₱206.82	₱162.17	₱18.18	₱42.02	₱118.50	₱119.41	₱5,287.07	₱2,817.41
Non-controlling interest	—	114.95	—	28.76	—	77.35	—	2,032.58
Total equity	₱206.82	₱277.12	₱18.18	₱70.78	₱118.50	₱196.76	₱5,287.07	₱4,849.99

Summarized statements of comprehensive income (in millions) for the years ended December 31, 2023 and 2022:

	TPI I		TPI II		TPI III		PPHI	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	₱19.18	₱—	₱21.20	₱78.30	₱222.21	₱396.46	₱6,195.19	₱5,159.94
Cost of real estate sales and services	2.91	—	(22.72)	(56.89)	(89.06)	(133.45)	(3,078.82)	(2,722.76)
General and administrative expenses	(18.53)	(36.65)	(20.52)	(36.49)	(48.84)	(53.83)	(1,551.70)	(1,143.77)
Operating income (loss)	3.56	(36.65)	(22.04)	(15.08)	84.31	209.18	1,564.67	1,293.41
Other income	10.65	4.77	8.51	24.95	36.03	24.00	373.57	55.62
Provision for income tax	(6.50)	(5.24)	(15.07)	(15.84)	(38.10)	(9.46)	(258.29)	(137.19)
Other Comprehensive Income	—	—	—	—	—	—	(2.84)	4.52
Total comprehensive income	₱7.71	(₱37.12)	(₱28.60)	(₱5.97)	₱82.24	₱223.72	₱1,677.11	₱1,216.36



	TPI I		TPI II		TPI III		PPHI	
	2023	2022	2023	2022	2023	2022	2023	2022
Total comprehensive income attributable to:								
Equity holders of the Parent Company	₱5.00	(₱22.27)	(₱21.04)	(₱3.58)	₱55.70	₱134.23	₱1,165.34	₱729.82
Non-controlling interests	2.71	(14.85)	(7.55)	(2.39)	26.54	89.48	511.78	486.55
	₱7.71	(₱37.12)	(₱28.59)	(₱5.97)	₱82.24	₱223.71	₱1,677.12	₱1,216.37



Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong and healthy consolidated statement of financial position to support its current business operations and drive its expansion and growth in the future.

The Group undertakes to establish the appropriate capital structure for each business line, to allow it sufficient financial flexibility, while providing it sufficient cushion to absorb cyclical industry risks.

The Group considers debt as a stable source of funding. The Group attempts to continually lengthen the maturity profile of its debt portfolio and makes it a goal to spread out its debt maturities by not having a significant percentage of its total debt maturing in a single year.

The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. It monitors capital using leverage ratios on both a gross debt and net debt basis. The Group is subject to externally imposed capital requirements from its bank loans which it has complied with as of December 31, 2023 and 2022 (see Note 17).

Equity, which the Group considers as capital, pertains to the equity attributable to equity holders of the Parent Company excluding other components of equity and remeasurement loss on defined benefit plan, amounting to a total of ₱20,226.11 million and ₱22,145.96 million as of December 31, 2023 and 2022, respectively.

No changes were made in the objectives, policies or processes for managing capital in 2023 and 2022.

21. General, Administrative and Selling Expenses

This account consists of:

	2023	2022	2021
Commission	₱1,036,566,170	₱845,591,110	₱924,998,420
Salaries, wages and employee benefits (Note 22)	780,464,020	592,879,006	614,621,880
Marketing and promotions	575,542,686	465,055,490	245,220,749
Taxes and licenses	263,231,236	217,473,794	164,630,953
Outside services	123,882,639	60,709,483	99,797,650
Representation expenses	83,853,158	110,273,064	81,764,952
Depreciation and amortization (Notes 12 and 13)	81,875,890	55,993,463	67,580,015
Professional fees	71,329,450	67,866,450	80,609,304
Bad debts expense (Note 6 and 16)	37,981,784	1,416,053	—
Rent	36,757,394	53,766,339	77,059,448
Utilities	36,342,721	14,066,531	15,876,394
Supplies	34,731,098	39,177,477	39,167,645
Repairs and maintenance	30,201,664	26,031,567	6,579,135
Transportation and travel	21,676,619	20,143,613	13,993,785
Communication	13,895,905	14,567,022	18,035,120
Miscellaneous	122,400,250	186,087,934	242,969,618
	₱3,350,732,684	₱2,771,098,396	₱2,692,905,068



Bad debts expense pertains to write-off of advances to related party amounting to ₱12.83 million in 2023 and additional allowance for estimated credit losses for receivables amounting to ₱25.14 million and ₱1.42 million in 2023 and 2022, respectively (see Note 6 and 16).

Miscellaneous pertains mainly to research development, sponsorships, recruitment fess, software maintenance and insurance.

22. Personnel Cost

This account consists of salaries, wages and employee benefits as follows:

	2023	2022	2021
General, administrative and selling expenses (Note 21)	₱780,464,020	₱592,879,006	₱614,621,880
Cost of services	262,558,196	268,345,792	272,728,398
	₱1,043,022,216	₱861,224,798	₱887,350,278

The breakdown of salaries, wages and employee benefits is as follows:

	2023	2022	2021
Salaries and wages	₱871,760,111	₱698,187,701	₱719,613,208
Retirement expense (Note 26)	43,196,004	47,016,562	50,112,456
Other employee benefits	128,066,101	116,020,535	117,624,614
	₱1,043,022,216	₱861,224,798	₱887,350,278

23. Property Management Fee, Hotel and Other Services

This account consists of:

	2023	2022	2021
Revenues:			
Property management fee	₱458,294,134	₱420,720,590	₱399,099,139
Hotel services	57,429,992	—	—
Technical services	4,244,321	2,647,367	912,178
	₱519,968,447	₱423,367,957	400,011,317

Property management fee pertains mostly to facilities management and consultancy fees of condominium corporations, corporate facilities and prior projects of the Group, which have been turned over to the respective buyers.

Hotel services pertains to rental of hotel rooms, food and beverage sales, and other service revenue. The Group's hotel business, the Novotel Suites Acqua, started commercial operations in December 2022.

Technical services pertain to other services such as plan evaluation, consultation and project management.



Direct cost of services incurred, which mainly include salaries and employee benefits, contracted services, and cost of repairs and maintenance, amounted to ₱320.60 million, ₱268.35 million and ₱272.73 million in 2023, 2022 and 2021, respectively, in relation to property management.

24. Interest Income and Others

This account consists of:

	2023	2022	2021
Income from forfeited collections	₱178,804,590	₱209,167,039	₱143,758,491
Interest income from deposits and short-term investments (Notes 4, and 5)	145,365,612	53,205,768	40,202,395
Interest income from amortization of liabilities to preferred shares (Note 32)	11,342,261	—	—
Interest income from in-house financing	111,741,178	93,197,773	50,374,798
Loss on sale of investment property (Note 11)	—	(815,953)	(34,128,752)
Other income	350,925,708	114,520,728	197,343,221
	₱798,179,349	₱469,275,355	₱397,550,153

Income from forfeited collections pertains to forfeited collections from reservation fees whose allowable period of completion has prescribed and terminated sales contracts.

Other income mainly consists of customer-related fees such as processing fees, penalties and other surcharges billed against defaulted installments from sales contracts. Real estate buyers are normally charged a penalty of 3.00% of the monthly installment for every month in arrears from the time the specific installment becomes due and payable.

25. Interest and Other Financing Charges

Details of this account follow:

	2023	2022	2021
Interest expense from:			
Bonds payable (Note 19)	₱453,297,442	₱392,134,510	₱404,004,678
Short-term and long-term debts (Note 17)	632,900,728	399,019,655	386,312,590
Lease liabilities (Note 28)	2,965,638	4,829,999	4,829,999
Other financing charges	119,273,972	121,905,353	99,444,808
	₱1,208,437,780	₱917,889,517	₱894,592,075

Other financing charges mostly include charges from interbank transfers other banking service fees and amortization of deferred transaction costs.



26. Pension Costs

The Group has a funded, noncontributory, defined benefit pension plan covering substantially all of its regular employees. The benefits are based on the projected retirement benefit of 22.5 days pay per year of service in accordance with Republic Act 7641, *The Retirement Pay Law*. The benefits are based on current salaries and years of service and compensation on the last year of employment. An independent actuary conducts an actuarial valuation of the retirement benefit obligation using the projected unit credit method.

The components of retirement expense included under “Salaries, wages and employee benefits” under general, administrative and selling expenses follow (see Note 21):

	2023	2022	2021
Current service cost	₱25,718,179	₱32,078,230	₱35,256,299
Net interest cost on benefit obligation	17,477,825	14,938,332	14,856,157
Retirement expense	₱43,196,004	₱ 47,016,562	₱50,112,456

Changes in the fair value of the plan assets (FVPA) and the present value of the retirement obligation (PVRO) are as follows as of December 31, 2023 and 2022:

	2023	2022
FVPA:		
Balance at January 1	₱7,160,690	₱7,217,095
Interest income	523,446	373,846
Remeasurement loss from changes in financial assumptions	(78,236)	(430,251)
Balance at December 31	7,605,900	7,160,690
PVRO:		
Balance at January 1	238,347,158	286,847,043
Transfer from the Parent Company	(2,957,246)	5,524,177
Current service cost	25,718,179	32,078,230
Interest cost	18,001,271	15,312,178
Benefits paid	(10,007,461)	(15,025,874)
Actuarial gain from changes in:		
Financial assumptions	31,847,881	(54,307,393)
Experience and demographic assumptions	(3,195,592)	(32,081,203)
Balance at December 31	297,754,190	238,347,158
Net liability arising from retirement obligation	₱290,148,290	₱231,186,468

The plan assets as of December 31, 2023 and 2022 pertain solely to bank deposits. The Group does not expect to contribute to its retirement fund in 2023.

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumptions on the defined benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant.

	December 31, 2023	
	Increase (decrease)	Effect on DBO
Discount rate	1.0%	(₱27,484,969)
Discount rate	(1.0%)	32,522,968
Rate of salary increase	1.0%	32,382,224
Rate of salary increase	(1.0%)	(27,863,092)



	December 31, 2022	
	Increase (decrease)	Effect on DBO
Discount rate	1.0%	(P21,670,865)
Discount rate	(1.0%)	25,665,185
Rate of salary increase	1.0%	25,867,276
Rate of salary increase	(1.0%)	(22,197,467)

The assumptions used to determine pension benefits for the Group in 2023 and 2022 are as follows:

	2023	2022
Discount rate	6.06% - 6.19%	7.26%-7.41%
Salary increase rate	3.5% - 6.00%	3.50%-6.00%

Shown below is the maturity analysis of the undiscounted benefit payments:

Year ending	Amount
December 31, 2024	P64,961,469
December 31, 2025	6,523,422
December 31, 2026	8,257,239
December 31, 2027	6,384,590
December 31, 2028	19,682,543
December 31, 2029 through December 31, 2033	176,052,396

27. Income Taxes

The provision for income tax consists of:

	2023	2022	2021
Current:			
RCIT/MCIT	P429,066,874	P347,774,418	P57,320,573
Final	11,682,579	10,641,154	4,799,436
	440,749,453	358,415,572	62,120,009
Deferred	(98,557,120)	(139,441,803)	(271,819,873)
	P342,192,333	P218,973,769	(P209,699,864)

Current tax

Income tax includes regular corporate income tax (RCIT) at the rate of 25% in 2023, 2022, and 2021. minimum corporate income tax (MCIT) is at the rate of 1.5% in 2023, 1% in 2022, and 2% in 2020, and final taxes paid is at the rate of 20%, which is a final withholding tax on gross interest income from debt instruments and other deposit substitutes.



Deferred tax

The components of the Group's net deferred tax assets are as follows:

	2023	2022
Recognized in the consolidated statements of comprehensive income:		
Deferred tax assets on:		
Accrued retirement costs	₱26,147,672	₱39,663,930
Effect of difference in accounting and tax base in real estate sales	21,426,709	—
Provisions for impairment losses	4,737,921	454,163
	52,312,302	40,118,093
Deferred tax liabilities on:		
Unamortized deferred financing costs	—	(20,686,519)
Recognized directly in equity:		
Deferred tax asset (liability) on re-measurement loss on retirement obligation	(3,955,123)	13,772,944
	₱48,357,179	₱33,204,518

The components of the Group's net deferred tax liabilities are as follows:

	2023	2022
Recognized in the consolidated statements of comprehensive income:		
Deferred tax assets on:		
Accrued retirement costs	₱45,020,377	₱15,706,661
Advance rentals	17,438,855	7,209,604
NOLCO	17,030,403	1,002,337
MCIT	7,039,179	—
Provisions for impairment losses	3,974,995	1,971,862
	90,503,809	25,890,464
Deferred tax liabilities on:		
Fair value gains on investment properties	(1,019,541,950)	(1,012,809,680)
Effect of difference in accounting and tax base on real estate sales	(891,039,781)	(911,958,878)
Prepaid commissions	(192,618,751)	(305,275,024)
Effect of difference in accounting and tax base on investment properties	(390,638,026)	(293,180,478)
Unamortized deferred financing costs	(51,090,592)	(15,235,026)
Others	(9,639,315)	(8,482,013)
	(2,554,568,415)	(2,546,941,099)
Recognized directly in equity:		
Deferred tax asset (liability) on re-measurement loss on retirement obligation	5,324,147	(21,094,283)
	(₱2,458,740,459)	(₱2,542,144,918)



As of December 31, 2023, carryover NOLCO that can be claimed as deduction from future taxable income is as follows:

Year Incurred	Amount	Used/Expired	Balance	Expiry Year
2020	₱470,848,536	₱—	₱470,848,536	2025
2021	727,674,762	(99,224,980)	628,449,782	2026
2022	654,733,261	—	654,733,261	2027
2023	850,296,181		850,296,181	2028
	₱2,703,552,740	(₱99,224,980)	₱2,604,327,760	

As of December 31, 2023, MCIT that can be used as deductions against income tax liabilities are as follows:

Year	Amount	Used/Expired	Balance	Expiry Year
2021	₱20,567,503	(₱17,311,425)	₱3,256,078	2026
2022	317,771	—	317,771	2027
2023	8,515,874	—	8,515,874	2028
	₱29,401,148	(₱17,311,425)	₱12,089,723	

Unrecognized deferred tax assets

The Group has NOLCO and MCIT that are available for offset against future taxable income or tax payable for which deferred tax assets have not been recognized. Unrecognized deferred tax assets on NOLCO and MCIT amounted to ₱634.05 million and ₱5.05 million respectively, as of December 31, 2023 and ₱437.51 million and ₱3.57 million, respectively, as of December 31, 2022.

Statutory reconciliation

The reconciliation of the provision for income tax computed at statutory income tax rate to the provision for income tax shown in profit or loss follows:

	2023	2022	2021
Provision for income tax computed at statutory rate	₱549,208,925	₱405,933,210	₱264,851,571
Adjustments for:			
Nondeductible interest and other expenses	326,542,280	444,746,328	489,979,641
Change in unrecognized deferred tax assets	224,511,311	147,613,893	200,807,087
Expired NOLCO	—	37,406,500	—
Expired/Applied MCIT	933,958	33,380,847	21,481,945
Final tax	11,682,579	10,641,154	4,799,435
Adjustment from CREATE law	—	—	(465,858,931)
Income under income tax holiday	(737,302,675)	(807,542,395)	(612,468,294)
Non-taxable interest and other income	(33,384,045)	(53,205,768)	(113,292,318)
Provision for income tax	₱342,192,333	₱218,973,769	(₱209,699,864)



Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act

On March 26, 2021, the CREATE Act was signed into law by the Philippine President. General provisions of the CREATE Act include the following:

- Domestic corporations with total assets of 100.00 million and below
 - With taxable income of 5.00 million and below - 20% RCIT
 - With taxable income of more than 5.00 million - 25% RCIT
- Domestic corporations with total assets of more than 100.00 million - 25% RCIT
- Reduction of MCIT from 2% to 1% for a period of three years (effective July 1, 2020 until June 30, 2023).

In 2021, the reduction in RCIT and MCIT rates from 30% to 25% and 2% to 1%, respectively has reduced the current tax expense of the Group by ₱27.92 million. Also, the reduction in rates decreased deferred tax expense by ₱55.65 million and deferred tax assets by ₱437.94 million in 2021.

On June 20, 2023, the Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 69-2023 reverting the MCIT rate to 2% of gross income effective July 1, 2023 pursuant to CREATE Act. MCIT rate was previously reduced from 2% to 1% effective July 1, 2020 to June 30, 2023 upon the effectivity of CREATE Act in 2021. Consequently, the Group recognized MCIT using the effective rate of 1.5% in 2023 in accordance with RMC 69-2023.

28. Lease Contracts

Group as lessee

The Group has lease contracts for various office spaces with lease terms of two (2) to three (3) years. Rental due is based on the agreed fixed monthly rent, subject to escalation. As of December 31, 2023 and 2022, the Group has rental deposits pertaining to these lease contracts amounting to ₱94.25 million and ₱95.96 million, respectively (see Note 13).

The rollforward of lease liability is as follows:

	December 31, 2023	December 31, 2022
Balance at beginning of year	₱27,732,190	₱57,139,963
Additions	21,884,434	—
Accretion for the year (Note 25)	2,965,638	4,829,999
Payments	(18,372,955)	(34,237,772)
Balance at end of year	34,209,307	27,732,190
Less current portion	17,374,825	15,434,671
Noncurrent portion	₱16,834,482	₱12,297,519

Payments for principal and interest on lease liability are presented under financing activities while payments for interest on lease liability are presented under operating activities. The Group has paid ₱15.41 million, ₱29.41 million and ₱23.68 million related to principal portion of lease liabilities in 2023, 2022 and 2021, respectively. Total interest on lease liabilities paid amounted to ₱2.97 million, ₱4.83 million and ₱4.83 million in 2023, 2022 and 2021, respectively.



The following are the amounts recognized in consolidated statements of comprehensive income:

	2023	2022	2021
Depreciation expense of right-of-use assets included in property and equipment	₱15,182,531	₱25,892,500	₱27,819,739
Interest expense on lease liabilities	2,965,638	4,829,999	4,829,999
Expenses relating to short-term leases (included in general, selling and administrative expenses) (Note 21)	17,862,526	53,766,339	77,059,448
Leasing revenues	1,293,121,807	1,362,474,800	1,200,366,601
Total amount recognized in the consolidated statements of comprehensive income	₱1,329,132,502	₱1,446,963,638	₱1,310,075,787

The movements of ROU assets during 2023 and 2022 are as follows:

	2023	2022
Balance at beginning of year	₱28,849,114	₱54,741,614
Additions (Note 12)	27,764,862	—
Amortization expense (Note 12)	(15,182,531)	(25,892,500)
Balance at end of year	₱41,431,445	₱28,849,114

Shown below is the maturity analysis of the future undiscounted lease payments as of December 31, 2023 and 2022:

	2023	2022
Within one year	₱17,374,825	₱15,434,671
After one year but not more than three years	16,834,482	12,297,519

Group as lessor

The Group is a lessor of its commercial units in its retail mall, hospital, office and commercial spaces. The leases have terms ranging from one (1) year to (10) years, with renewal options. Monthly rent payment is computed using a fixed rate per square meter and variable rent based on percentage of sales of the tenants for the year. Leasing revenue recognized amounted to ₱1,291.34 million, ₱1,362.47 million and ₱1,200.36 million in 2023, 2022 and 2021, respectively.

Advance Deposits and Refundable Deposits

Refundable deposits pertain to utilities and meter deposits, and security deposits collected from tenants which are refundable at the end of the lease contracts. The Group received refundable deposits and security deposits classified as “Other current liabilities” amounting to ₱59.85 million and ₱61.34 million and “Other noncurrent liabilities” amounting to ₱645.44 million and ₱769.13 million as of December 31, 2023 and December 31, 2022, respectively (see Note 32).

Deferred Lease Income

Deferred lease income is amortized over the lease term on a straight-line basis and which amortization is recorded as part of “Leasing revenue” in the statements of comprehensive income. The carrying value of the deferred lease income presented under financial statement caption “Other current liabilities” amounted to ₱14.00 million and ₱6.81 million and “Other noncurrent liabilities” amounted to ₱98.02 million and ₱68.15 million as of December 31, 2023 and December 31, 2022, respectively (see Note 33).



Future minimum rentals receivable under operating leases are as follows:

	2023	2022
Within one year	₱974,901,869	₱956,958,326
After one year but not more than three years	2,526,297,570	3,700,646,343

29. Financial Instruments

Fair Value Information

The table below presents the carrying amounts and fair values of the Group's financial assets and financial liabilities:

	2023		2022	
	Carrying Value	Fair value	Carrying Value	Fair Value
Financial assets				
ICR	₱10,513,080,456	₱11,175,582,342	₱8,584,320,427	₱8,824,761,754
Rental deposits	94,247,911	95,479,912	95,958,665	98,910,252
	₱10,607,328,367	₱11,271,062,254	₱8,680,279,092	₱8,923,672,006
Financial liabilities				
Long-term debt	10,352,233,632	11,360,005,043	11,006,315,542	11,067,255,646
Bonds payable	8,877,437,104	9,000,000,000	5,917,253,923	6,000,000,000
Liability from purchased land	49,484,077	52,564,486	130,982,533	134,836,069
Security deposits	724,950,698	679,753,641	830,474,255	856,018,766
	₱18,688,181,741	₱19,475,135,029	₱17,885,026,253	₱18,058,110,481

Fair Value of Financial Instruments

The methods and assumptions used by the Group in estimating the fair values of the financial instruments are as follows:

Financial assets

Cash and cash equivalents, receivables (excluding ICRs), due from related parties, accounts and other payables, due to related parties and short-term debt

Carrying amounts approximate fair values due to the short-term maturities of these instruments.

ICRs

Fair value is based on undiscounted value of future cash flows using the prevailing interest rates for similar types of receivables as of the reporting date using the remaining terms of maturity. Discount rates ranging from 5.88% to 8.12% were used in calculating the fair value as of December 31, 2023 and 2022.

Rental deposits

The fair values of rental deposits are based on the discounted value of future cash flows using the applicable market interest rates. Discount rates ranging from 5.64% to 6.49% and 5.21% to 6.24% were used in calculating the fair value of the Group's rental deposits as of December 31, 2023 and 2022, respectively.

Long-term debt, bonds payable, liability from purchased land and, security deposits

The fair values are estimated using the discounted cash flow method using the Group's current incremental borrowing rates for similar borrowings with maturities consistent with those remaining



for the liability being valued. The discount rates used for long-term debt ranged from 5.64% to 6.49% and 1.55% to 2.82% as of December 31, 2023 and 2022, respectively. The discount rates used for the bonds payable ranged from 5.05% to 5.83% and 4.05% to 4.83% as of December 31, 2023 and 2022, respectively. The discount rates used for the liability from purchased land ranged from 5.64% to 6.49% and 1.55% to 2.82% as of December 31, 2023 and 2022, respectively.

The discount rates used for refundable deposits ranged from 6.64% to 6.49% and 4.25% to 5.01% as of December 31, 2023 and 2022, respectively. The discount rates used for the lease liabilities ranged from 5.64% to 6.49% and 1.55% to 2.82% as of December 31, 2023 and 2022, respectively.

In 2023 and 2022, the Group did not have transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

Financial Risk Management Policies and Objectives

The Group has various financial assets and liabilities such as cash and cash equivalents, receivables, due to and from related parties, and accounts payable and other liabilities, which arise directly from its operations. The Group has bonds payable, short-term and long-term debt availed for financing purposes.

Exposure to credit, interest rate and liquidity risks arise in the normal course of the Group's business activities.

The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The Group's BOD reviews and approves the policies for managing each of these risks and they are summarized below:

Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Group by failing to discharge an obligation.

The Group trades only with recognized, creditworthy third parties. The Group's receivables are monitored on an ongoing basis to manage exposure to bad debts and to ensure timely execution of necessary intervention efforts. Real estate buyers are subject to standard credit check procedures, which are calibrated based on payment scheme offered. The Group assessed that its customers portfolio is homogeneous. The Group's respective credit management units conduct a comprehensive credit investigation and evaluation of each buyer to establish creditworthiness.

In addition, the credit risk for ICRs is mitigated as the Group has the right to cancel the sales contract without need for any court action and take possession of the subject house in case of refusal by the buyer to pay on time the due installment contracts receivable. This risk is further mitigated because the corresponding title to the subdivision units sold under this arrangement is transferred to the buyers only upon full payment of the contract price.

With respect to credit risk arising from the other financial assets of the Group, exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Group transacts only with institutions or banks which have demonstrated financial soundness for the past 5 years.



The Group's maximum exposure to credit risk as of December 31, 2023 and 2022 is equal to the carrying values of its financial assets with an aggregate amount of ₱7,149.04 million and ₱6,224.82 million, which excludes cash on hand amounting to ₱1.26 million and ₱1.26 million respectively, and ICRs with carrying values of ₱9,756.91 million and ₱8,584.32 million, respectively.

The credit quality of the financial assets was determined as follows:

Cash and cash equivalents and rental deposits - these are considered as high-grade financial assets as these are entered into with reputable counterparties.

Receivables - these are considered as high grade since there are no default in payments.

Due from related parties - these are considered as standard grade as these are settled on time or are slightly delayed due to unresolved concerns.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or the counterparty failing on repayment of a contractual obligation; or inability to generate cash inflows as anticipated. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and advances from related parties. It matches its projected cash flows to the projected amortization of long-term borrowings. For its short-term funding, the Group's policy is to ensure that there are sufficient operating inflows to match repayments of short-term debt.

The following table shows the maturity profile of the Group's financial assets used for liquidity purposes and liabilities based on contractual undiscounted payments:

	December 31, 2023		Total
	Within 1 Year	More than 1 year	
Financial assets			
Cash and cash equivalents	₱ 3,543,351,959	₱—	₱ 3,543,351,959
Short-term deposits	18,258,017	—	18,258,017
Receivables*	10,281,047,604	1,268,850,078	11,549,897,682
Due from related parties	1,566,243,753	—	1,566,243,753
Rental deposits	—	94,247,911	94,247,911
	₱15,408,901,333	₱1,363,097,989	₱16,771,999,322
Financial liabilities			
Accounts and other payables**	₱3,596,326,143	₱—	₱3,596,326,143
Due to related parties	384,097,093	—	384,097,093
Short-term debt	791,664,471	—	791,664,471
Liability from purchased land	49,484,077	—	49,484,077
Long-term debt:			
Principal	3,851,897,104	6,562,157,296	10,414,054,400
Interest	—	61,820,767	61,820,767
Bonds payable:			
Principal	3,000,000,000	6,000,000,000	9,000,000,000
Interest	—	122,562,896	122,562,896
Lease liabilities	17,374,824	16,834,482	34,209,306
Security deposits	59,850,397	645,436,816	705,287,213
	₱11,750,694,109	₱13,408,812,257	₱25,159,506,366

* Excluding receivables from employees amounting to ₱365.13 million as of December 31, 2023.

**Excluding customers' advances and statutory liabilities amounting to ₱2,372.29 million and ₱255.73 million, respectively, as of December 31, 2023.



	December 31, 2022		Total
	Within 1 Year	More than 1 year	
Financial assets			
Cash and cash equivalents	₱4,130,877,582	₱—	₱4,130,877,582
Short-term deposits	36,786,565	—	36,786,565
Receivables*	9,462,414,681	109,043,517	9,571,458,198
Due from related parties	975,322,703	—	975,322,703
Rental deposits	—	95,958,665	95,958,665
	₱14,605,401,531	₱205,002,182	₱14,810,403,713
Financial liabilities			
Accounts and other payables**	₱3,256,518,941	₱—	₱3,256,518,941
Due to related parties	358,060,626	—	358,060,626
Short-term debt	235,141,310	—	235,141,310
Liability from purchased land	67,200,000	63,782,533	130,982,533
Long-term debt:			
Principal	2,192,453,618	8,813,861,924	11,006,315,542
Interest	—	60,940,103	60,940,103
Bonds payable:			
Principal	—	6,000,000,000	6,000,000,000
Interest	—	82,746,077	82,746,077
Lease liabilities	15,434,671	12,297,519	27,732,190
Security deposits	61,343,009	769,131,246	830,474,255
	₱6,186,152,175	₱15,802,759,402	₱21,988,911,577

* Excluding receivables from employees amounting to ₱382.87 million as of December 31, 2022.

**Excluding customers' advances and statutory liabilities amounting to ₱1,645.01 million and ₱93.16 million, respectively, as of December 31, 2022.

Interest rate risk

Interest rate risk is the risk that changes in the market interest rates will reduce the Group's current or future earnings and/or economic value. The Group's interest rate risk management policy centers on reducing the overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Group's interest-bearing debt obligations with floating interest rates or rates subject to repricing as it can cause a change in the amount of interest payments.

The following table sets out the carrying amount, by maturity, of the Group's long-term debt that are exposed to interest rate risk.

Interest terms		Rate fixing period		
(p.a.)			<1 year	1 to 5 years
2023	6.2-10.3	Monthly; Annually	₱3,185,696,105	₱1,200,949,687
2022	6.2-10.3	Monthly; Annually	₱2,048,457,716	₱3,769,500,261

The following table demonstrates the sensitivity to reasonably possible changes in interest rates, with all variables held constant, of the Group's income before tax and equity (through the impact on floating rate borrowings).

	2023		2022	
	Increase (decrease) in interest rates	Effect on profit before tax	Increase (decrease) in interest rates	Effect on profit before tax
Basis points	1.00%	(₱43,866,458)	0.33%	(₱19,199,261)
	(1.00%)	43,866,458	(0.33%)	19,199,261

There is no other impact on the Group's total comprehensive income other than those already affecting the net income.



30. Performance Obligations

Information about the Group's performance obligations are summarized below:

Real estate sales

The Group entered into contracts to sell with one identified performance obligation, which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration. The sale of real estate unit may cover the contract for either the (i) serviced lot; (ii) service lot and house, and (ii) condominium unit and the Group concluded that there is one performance obligation in each of these contracts. The Group recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction.

Payment commences upon signing of the contract to sell and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include payment of 10%-30% of the contract price spread over a certain period (e.g., three months to four years) at a fixed monthly payment with the remaining balance payable (a) in full at the end of the period either through cash or external financing; or (b) through in-house financing which ranges from two (2) to five (5) years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the customer does not necessarily coincide with the progress of construction, which results to either an installment contract receivable or contract liability.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31, 2023 and 2022 are as follows:

	2023	2022
Within one year	₱8,332,201,610	₱7,029,550,189
More than one year	1,007,398,598	298,170,841
	₱9,339,600,208	₱7,327,721,030

The remaining performance obligations expected to be recognized within one year and in more than one year relate to the continuous development of the Group's real estate projects. The Group's condominium units are completed within three years and five years, respectively, from start of construction while serviced lots and serviced lots and house are expected to be completed within two to three years from start of development.

All of the Group's real estate sales from residential development are revenue from contracts with customers recognized over time. The Group's disaggregation of each sources of real estate sales are presented below:

Project	Location	2023	2022	2021
Century City	Makati City	₱246,715,607	₱1,019,209,007	₱957,678,288
The Residences at Commonwealth	Quezon City	604,996,499	893,414,343	916,120,606
Azure Urban Resort Residences	Paranaque City	151,358,493	218,846,457	256,102,227
Acqua Private Residences	Mandaluyong City	641,428,070	30,710,474	200,961,843
The Resort Residences at Azure North	Pampanga City	1,630,477,942	1,085,356,789	1,225,269,089

Forward



Project	Location	2023	2022	2021
Batulao Landscapes	Batangas	₱122,051,569	₱347,705,325	₱200,232,805
Tanza Properties	Cavite	262,593,722	476,306,136	839,990,130
PHirst Park Homes	Cavite	989,963,986	—	—
PHirst Park Homes	Bulacan	686,789,308	2,322,672,961	488,248,023
PHirst Park Homes	Laguna	818,468,217	1,109,375,197	1,142,833,971
PHirst Park Homes	Pampanga City	1,217,895,114	618,512,994	132,283,950
PHirst Park Homes	Batangas	1,686,955,964	1,109,375,196	1,304,680,721
PHirst Park Homes	Tayabas Quezon	511,183,939	—	—
PHirst Park Homes	Bataan	202,477,479	—	—
PHirst Park Homes	Nueva Ecija	81,456,254	—	—
Editions Batulao	Batangas	524,929,984	—	—
Sights Bay	Laguna	414,835,361	—	—
		₱10,794,577,508	₱9,231,484,879	₱7,664,401,653

Property management, hotels and other service fees

The Group's disaggregation of each source of property management, hotels and other service fees are as follows:

Location	2023	2022	2021
Within Metro Manila	₱512,910,493	₱416,646,096	₱393,609,545
Outside Metro Manila	7,057,954	6,721,861	6,401,772
	₱519,968,447	₱423,367,957	₱400,011,317

31. Segment Information

Business segment information is reported on the basis that is used internally for evaluating segment performance and deciding how to allocate resources among operating segments. Accordingly, the segment information is reported based on the nature of service the Group is providing.

The segments where the Group operate follow:

- Real estate development - sale of high-end, upper middle-income and affordable residential lots and units and lease of residential developments under partnership agreements;
- Property and hotel management - facilities management of the residential and corporate developments of the Group and other third-party projects, including provision of technical and related consultancy services, rental of hotel rooms, food and beverage sales, and other service revenue;
- Leasing - lease of the Group's retail mall.

Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.



The financial information about the operations of these operating segments is summarized below:

For the Year Ended December 31, 2023					
	Real Estate Development	Property and Hotel Management	Leasing	Adjustments and Elimination	Consolidated
Revenue	₱10,958,124,787	₱519,968,447	₱1,293,121,807	(₱69,798,389)	₱12,701,416,652
Costs and expenses					
Cost of real estate sales and services	6,013,020,827	320,589,767	438,491,958	–	6,772,102,552
General, administrative and selling expenses	3,301,552,892	170,411,395	72,293,791	(193,525,394)	3,350,732,684
Operating income	1,643,551,068	28,967,285	782,336,058	123,727,005	2,578,581,416
Other income (expenses)					
Interest and other income	1,938,049,845	20,061,014	182,143,100	(1,313,561,903)	826,692,056
Interest and other financing charges	(797,588,377)	(1,333,104)	(419,663,190)	10,146,892	(1,208,437,779)
Income before income tax	2,784,012,536	47,695,195	544,815,968	(1,179,688,006)	2,196,835,693
Provision for income tax	238,660,963	21,379,188	149,828,429	(67,676,247)	342,192,333
Net income	₱2,545,351,573	₱26,316,007	₱394,987,539	(₱1,112,011,760)	₱1,854,643,360

As of December 31, 2023					
Segment assets	₱67,905,556,416	₱1,399,531,499	₱18,802,886,214	(₱32,770,920,249)	₱55,337,053,880
Deferred tax assets	21,470,260	16,882,410	–	10,004,509	48,357,179
Total Assets	₱67,927,026,676	₱1,416,413,909	₱18,802,886,214	(₱32,760,915,740)	₱55,385,411,059
Segment liabilities	₱45,335,383,130	₱1,391,805,271	₱6,581,816,373	(₱20,686,672,603)	₱32,622,332,171
Deferred tax liabilities	1,542,158,531	–	925,354,916	(8,772,988)	2,458,740,459
Total Liabilities	₱46,877,541,661	₱1,391,805,271	₱7,507,171,289	(₱20,695,445,591)	₱35,081,072,630

For the Year Ended December 31, 2022					
	Real Estate Development	Property Management	Leasing	Adjustments and Elimination	Consolidated
Revenue	₱9,383,717,315	₱423,367,957	₱1,362,474,800	(₱42,913,837)	₱11,126,646,235
Costs and expenses					
Cost of real estate sales and services	5,607,263,687	268,345,792	440,815,699	–	6,316,425,178
General, administrative and selling expenses	2,818,432,222	87,384,331	62,765,293	(197,483,450)	2,771,098,396
Operating income	958,021,406	67,637,834	858,893,808	154,569,613	2,039,122,661
Other income (expenses)					
Interest and other income	1,475,139,549	110	123,109,188	(1,095,749,143)	502,499,704
Interest and other financing charges	(616,471,480)	(26,054)	(305,491,896)	4,099,913	(917,889,517)
Income before income tax	1,816,689,475	67,611,890	676,511,100	(937,079,616)	1,623,732,849
Provision for (benefit from) income tax	22,644,048	18,266,478	179,497,975	(1,434,731)	218,973,770
Net income	₱1,794,045,427	₱49,345,412	₱497,013,125	(₱935,644,885)	₱1,404,759,079

As of December 31, 2022					
Segment assets	₱61,637,813,735	₱309,294,327	₱18,793,326,549	(₱26,842,538,681)	₱53,897,895,930
Deferred tax assets	10,590,006	12,625,887	–	9,988,625	33,204,518
Total Assets	₱61,648,403,741	₱321,920,214	₱18,793,326,549	(₱26,832,550,056)	₱53,931,100,448
Segment liabilities	₱30,445,559,476	₱260,464,436	₱13,499,061,188	(₱16,608,671,445)	₱27,596,413,655
Deferred tax liabilities	1,580,595,697	–	902,645,971	58,903,251	2,542,144,919
Total Liabilities	₱32,026,155,173	₱260,464,436	₱14,401,707,159	(₱16,549,768,194)	₱30,138,558,574



	For the Year Ended December 31, 2021				
	Real Estate Development	Property Management	Leasing	Adjustments and Elimination	Consolidated
Revenue	₱7,844,517,712	₱400,011,317	₱1,200,366,601	₱-	₱9,444,895,630
Costs and expenses					
Cost of real estate sales and services	4,808,420,850	272,728,398	352,043,445	-	5,433,192,693
General, administrative and selling expenses	2,433,141,793	85,234,957	242,058,512	(67,530,194)	2,692,905,068
Operating income	602,955,069	42,047,962	606,264,644	67,530,194	1,318,797,869
Other income (expenses)					
Interest and other income	777,312,014	-	237,125,618	(379,237,142)	635,200,490
Interest and other financing charges	(573,977,733)	(13,908)	(320,600,434)	-	(894,592,075)
Income before income tax	806,289,350	42,034,054	522,789,828	(311,706,948)	1,059,406,284
Provision for income tax	(193,021,840)	15,287,101	(11,718,677)	(20,246,448)	(209,699,864)
Net income	₱999,311,190	₱26,746,953	₱534,508,505	(₱291,460,500)	₱1,269,106,148
Segment assets	₱58,301,853,163	₱260,448,115	₱16,686,161,746	(₱20,768,717,921)	₱54,479,745,103
Deferred tax assets	-	15,317,377	-	11,447,068	26,764,445
Total Assets	₱58,301,853,163	₱275,765,492	₱16,686,161,746	(₱20,757,270,853)	₱54,506,509,548
Segment liabilities	₱30,158,319,381	₱216,275,707	₱10,447,703,676	(₱11,314,360,361)	₱29,507,938,403
Deferred tax liabilities	1,808,785,268	80,361	859,287,323	(20,246,448)	2,647,906,504
Total Liabilities	₱31,967,104,649	₱216,356,068	₱11,306,990,999	(₱11,334,606,809)	₱32,155,844,907

32. Other Current and Noncurrent Liabilities

Liabilities to Preferred Shareholders of a Subsidiary

The Group's liabilities to preferred shareholders of a subsidiary represent the liability portion of the proceeds from the sale of preferred shares of CALC. CALC's preferred shares are considered compound financial instruments which contain both liability and equity components. Since the preferred shares are non-redeemable and entitles the holder to a pro-rata share of assets upon liquidation, including twenty-eight (28) free nights to stay at the hotel, this financial instrument is classified as an equity instrument. However, the preferred shares establish a contractual right to a dividend [i.e., share in the net room rental revenue (NRRR)], thus, it contains a financial liability with respect to the share in the NRRR.

On June 17, 2015, CALC's preferred shares divided into Class A, Class B, Class C and Class D have been registered with SEC for public offering.

The preferred shares have the following features, rights, privileges and obligations which can be availed by the preferred shareholders upon full payment:

- All classes of the preferred shares are non-voting.
- Preferred shareholders are entitled to use and occupy, for twenty-eight (28) nights per year (the "Annual Usage Entitlement"), the rooms owned by CALC in Acqua 6 Tower of the Acqua Private Residences (upon its completion and only when such rooms are ready for occupancy), with the room class based on the class of preferred shares owned. Annual Usage Entitlements are non-cumulative.



- c. The preferred shareholders shall be entitled to a share in Net Room Rental Revenue at the rate of 40% for all of the 152 rooms to be owned by CALC. The share of a preferred shareholder in the Net Room Rental Revenue shall be payable annually or subject to the terms and conditions of optional payment term extension program availed of by a subscriber. The share of a preferred shareholder in the Net Room Rental Revenue shall be calculated based on the attributable square meters ("SQM") corresponding to the class of preferred shares held by such preferred shareholder for every 13 preferred shares held.
- d. Net Room Rental Revenue means total revenue from rentals of all rooms less total room cost of sales. The corresponding attributable SQM of each class of shares are as follows:

Class of Preferred Shares	Corresponding Attributable SQM
Preferred A shares	8.00
Preferred B shares	11.75
Preferred C shares	19.00
Preferred D shares	21.75

- e. The preferred shareholders shall no longer participate in any dividend declaration of the Group.

The preferred shareholders shall regularly and diligently pay the fees, contributions, charges and other dues, including but not limited to the Annual Management Fee, Annual Operating Budget, Furniture, Fittings and Equipment Reserve, pertaining to the maintenance and use of the rooms to be owned by the Group.

For preferred shareholders who have not fully paid the subscription price of their preferred shares upon turn-over, the annual NRRR shall be applied quarterly as credits towards the investor's outstanding balance until the investor's outstanding balance is fully paid up.

Total liabilities to preferred shareholders of CALC presented under financial statement caption "Other noncurrent liabilities" amounted to ₱948.32 million and ₱951.92 million as of December 31, 2023 and 2022, respectively.

Movements on the liabilities on preferred shares subscriptions are as follows:

	2023	2022
Balance at January 1	₱951,925,494	₱1,037,846,482
Collections	10,280,479	22,321,078
Interest Income (Note 24)	(11,342,261)	—
Returns of deposits	(2,546,502)	(50,324,273)
Forfeited deposits	—	(3,737,399)
Transfer to preferred shares (equity portion)	—	(54,180,394)
Balance at December 31	₱948,317,210	₱951,925,494



Movements of shares subscriptions and cancellation per Preferred Class are summarized in the table below.

Class of shares	Number of Shares				Total
	Preferred A shares	Preferred B shares	Preferred C shares	Preferred D shares	
Authorized shares	6,344	520	520	520	7,904
Par value in ₱	10	100	1,000	10,000	
Subscribe shares at					
December 31, 2020	6,149	481	520	247	7,397
Subscription during 2021	—	—	—	—	—
Cancellation of shares	(520)	(52)	(39)	(104)	(715)
Number of shares at					
December 31, 2021	5,629	429	481	143	6,682
Subscription during 2022	—	—	—	—	—
Cancellation of shares	(169)	(39)	(39)	—	(247)
Number of shares at					
December 31, 2022	5,460	390	442	143	6,435
Subscription during 2023	—	—	—	—	—
Cancellation of shares	(13)	—	—	—	(13)
Number of shares at					
December 31, 2023	5,447	390	442	143	6,422

Advance Deposits and Refundable Deposits

Refundable deposits pertain to utilities and meter deposits, and security deposits collected from tenants which are refundable at the end of the lease contracts. The Group received refundable deposits and security deposits classified as “Other current liabilities” amounting to ₱59.85 million and ₱61.34 million and “Other noncurrent liabilities” amounting to ₱645.44 million and ₱769.13 million as of December 31, 2023 and 2022, respectively (see Note 28).

Deferred Lease Income

Deferred lease income is amortized over the lease term on a straight-line basis and which amortization is recorded as part of “Leasing revenue” in the statements of comprehensive income. The carrying value of the deferred lease income presented under financial statement caption “Other current liabilities” amounted to ₱14.00 million and ₱6.81 million and “Other noncurrent liabilities” amounted to ₱98.02 million and ₱68.15 million as of December 31, 2023 and 2022, respectively (see Note 28).

33. Contingencies

The Group is contingently liable for lawsuits or claims filed by third parties (substantially civil cases that are either pending decision by the courts or are under negotiation, the outcomes of which are not presently determinable). In the opinion of management and its legal counsels, the eventual liability under these lawsuits or claims, if any, will not have a material or adverse effect on the Group's financial position and results of operations. The information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed on the grounds that it can be expected to prejudice the outcome of these lawsuits, claims or assessments. No provisions were recognized in 2023, 2022 and 2021 with respect to the foregoing matters.



34. Notes to Consolidated Statements of Cash Flows

Below are the noncash transactions not included in the adjustments for income before tax in the consolidated statements of cash flows for the years ended December 31, 2023, 2022 and 2021:

- a. Write off of due from related parties amounting to ₱12.83 million in 2023 (see Note 21 and 16)
- b. Transfer of property plant and equipment to real estate property amounting to ₱1,152.68 million in 2023 (see Notes 7 and Note 12)
- c. Deposit for purchase land amounting to ₱297.68 million and ₱30.16 million converted to inventories in 2023 and 2023 (see Notes 7 and 9).
- d. Amortization of deferred financing costs amounting to ₱68.56 million, ₱113.99 million and ₱89.54 million in 2023, 2022 and 2021, respectively (see Notes 17 and 19).
- e. Additions to right-of-use assets and increase in lease liabilities amounting ₱27.76 million, nil and ₱76.29 million in 2023, 2022 and 2021, respectively (see Note 12).
- f. Transfer from investment property to real estate property amounting to ₱1,039.60 million in 2022 (see Notes 7 and 11).
- g. Transfer from investment property to property and equipment amounting to ₱556.82 million in 2022 (see Notes 11 and 12).
- h. Reclassification of Deposit for Preferred Shares Subscription to non-controlling interest amounting to ₱54.18 million in 2022 (see Notes 21 and 33).
- i. Advances to landowners amounting to ₱419.23 million converted to inventories in 2022 (see Notes 7 and 13).



Changes in liabilities and other accounts arising from financing activities

2023							
	Beginning of the year	Cash flows	Deferred financing cost application	Amortization of discount	Dividend declaration	Other movements	End of the year
Short-term and long-term debts	₱11,241,456,852	(₱96,678,085)	(₱27,140,500)	₱26,259,836	₱—	₱—	₱ 11,143,898,103
Bonds payable	5,917,253,923	3,000,000,000	(82,114,920)	42,298,101	—	—	8,877,437,104
Non-controlling interest	2,312,344,491	(2,000,050,000)	—	—	—	(258,114,097)	54,180,394
Due to related parties	358,060,626	26,036,467	—	—	—	—	384,097,093
Dividends payable	52,980,640	(291,624,159)	—	—	241,241,410	(2,597,891)	—
Lease liabilities	27,732,190	(15,407,317)	—	—	—	21,884,433	34,209,306
Liabilities to preferred shareholders of a subsidiary	951,925,495	7,733,977	—	—	—	(11,342,261)	948,317,211
Redemption of preferred shares	—	(3,000,000,000)	—	—	—	—	(3,000,000,000)
Deferred financing costs	—	(109,255,420)	109,255,420	—	—	—	—
	₱20,861,754,217	(₱2,479,244,537)	₱—	₱68,557,937	₱241,241,410	(₱250,169,816)	₱18,442,139,211

2022							
	Beginning of the year	Cash flows	Deferred financing cost application	Amortization of discount	Dividend declaration	Other movements	End of the year
Short-term and long-term debts	₱12,306,967,433	(₱1,092,637,317)	(₱46,897,795)	₱74,024,531	₱—	₱—	₱11,241,456,852
Bonds payable	5,947,195,429	—	(69,907,011)	39,965,505	—	—	5,917,253,923
Non-controlling interest	1,630,172,289	120,000,000	—	—	—	562,172,202	2,312,344,491
Due to related parties	317,358,734	40,701,892	—	—	—	—	358,060,626
Dividends payable	52,980,640	(201,531,000)	—	—	201,531,000	—	52,980,640
Lease liabilities	57,139,963	(29,407,773)	—	—	—	—	27,732,190
Liabilities to preferred shareholders of a subsidiary	1,036,353,927	(30,248,038)	—	—	—	(54,180,395)	951,925,494
Deferred financing costs	—	(116,804,806)	116,804,806	—	—	—	—
	₱21,348,168,415	(₱1,309,927,042)	₱—	₱113,990,036	₱201,531,000	₱507,991,807	₱20,861,754,216

2021							
	Beginning of the year	Cash flows	Acquisition of NCI	Amortization of discount	Dividend declaration	Other movements	End of the year
Short-term and long-term debts	₱15,668,124,400	(₱3,386,174,059)	(₱22,743,202)	₱47,760,295	₱—	₱—	₱12,306,967,434
Bonds payable	3,084,766,287	2,880,890,000	(60,242,941)	41,782,082	—	—	5,947,195,428
Non-controlling interest	1,271,816,572	40,000,000	—	—	—	318,355,718	1,630,172,290
Due to related parties	270,006,022	47,352,712	—	—	—	—	317,358,734
Dividends payable	215,064,276	(327,440,181)	—	—	165,356,546	—	52,980,641
Lease liabilities	4,525,606	(23,678,500)	—	—	—	76,292,857	57,139,963
Deferred financing costs	—	(82,986,143)	82,986,143	—	—	—	—
	₱20,514,303,163	(₱852,036,171)	₱—	₱89,542,377	₱165,356,546	₱394,648,575	₱20,311,814,490



35. Events After the Reporting Date

Public Offering of Preferred Shares

On January 5, 2023, SEC approved the Group's application for the Primary Offer of up to 30,000,000 Series B Preferred Shares with an Oversubscription Option of up to 20,000,000 Series B Preferred Shares (the "Offer Shares") at an offer price of One Hundred Pesos (Php100.00) per share.

On February 22, 2024, the Group listed and traded on the Main Board of The Philippine Stock Exchange, Inc. its 20,000,000 perpetual, cumulative, non-participating, non-voting, redeemable, non-convertible Series B Preferred Shares with an initial Dividend Rate of 7.5432% per annum at an Offer Price of Php100.00 per share.



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Century Properties Group Inc.
35F Century Diamond Tower, Century City
Kalayaan Ave. cor Salamanca St.
Poblacion, Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Century Properties Group Inc. and its subsidiaries (the Group) as at December 31, 2023 and 2022, and for each of the three years in the period ended December 31, 2023, included in this Form 17-A, and have issued our report thereon dated April 4, 2024. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole, are prepared in all material respects, in accordance with Philippine Financial Reporting Standards, as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission, as described in Note 2 to the consolidated financial statements.

SYCIP GORRES VELAYO & CO.



Ma. Emilita L. Villanueva

Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

BIR Accreditation No. 08-001998-141-2021, November 10, 2021, valid until November 9, 2024

PTR No. 10082036, January 6, 2024, Makati City

April 4, 2024



INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Century Properties Group Inc.
35/F Century Diamond Tower, Century City
Kalayaan Ave. cor Salamanca St.
Poblacion, Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Century Properties Group Inc. and its subsidiaries (the Group) as at December 31, 2023 and 2022, and for each of the three years in the period ended December 31, 2023, and have issued our report thereon dated April 4, 2024. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRSs), as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission (SEC), as described in Note 2 to the consolidated financial statements, and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the SEC, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRSs, as modified by the application of the financial reporting reliefs issued and approved by the SEC, as described in Note 2 to the consolidated financial statements. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Ma. Emilita L. Villanueva
Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

BIR Accreditation No. 08-001998-141-2021, November 10, 2021, valid until November 9, 2024

PTR No. 10082036, January 6, 2024, Makati City

April 4, 2024



**INDEPENDENT AUDITOR'S REPORT
ON RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION**

The Stockholders and the Board of Directors
Century Properties Group Inc.
35F Century Diamond Tower, Century City
Kalayaan Ave. cor Salamanca St.
Poblacion, Makati City

We have audited in accordance with Philippine Standard on Auditing, the consolidated financial statements of Century Properties Group Inc. and its subsidiaries (the Group) as at December 31, 2023 and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated April 4, 2024. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements of the Group taken as whole. The Group's schedule of reconciliation of retained earnings available for dividend declaration is the responsibility of the Group's management. The schedule is presented for purposes of complying with the Revised Securities Regulation Code Rule 68 and is not part of the basic consolidated financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole, are prepared in all material respects, in accordance with Philippine Financial Reporting Standards, as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission, as described in Note 2 to the consolidated financial statements.

SYCIP GORRES VELAYO & CO.



Ma. Emilita L. Villanueva
Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

BIR Accreditation No. 08-001998-141-2021, November 10, 2021, valid until November 9, 2024

PTR No. 10082036, January 6, 2024, Makati City

April 4, 2024



INDEX TO THE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

Schedule	Contents
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related parties)
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
D	Intangible Assets - Other Assets
E	Long-Term Debt and Bonds Payable
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K	Map Showing the Relationships Between and Among the Companies in the Group, its Ultimate Parent Company and Co-subsiidiaries
L	Schedule of Bonds Proceeds
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SCHEDULE A

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF FINANCIAL ASSETS

DECEMBER 31, 2023

	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet	Income received or accrued
Cash and cash equivalents	P—	₱3,543,351,959	₱141,121,987
Short-term investments		18,258,017	4,243,625
Receivables			
Trade receivables:			
ICR	—	10,513,080,456	93,748,890
Leasing receivables	—	433,567,822	—
Management fee	—	191,548,312	—
Advances to condominium corporations	—	113,681,294	—
Advances to customers	—	130,572,262	—
Other receivables	—	202,299,203	—
Due from related parties	—	1,578,677,372	—
Rental deposit	—	94,247,911	—
	P—	₱16,819,284,608	₱239,114,502

SCHEDULE B**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM
DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES, AND
PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)
DECEMBER 31, 2023**

Name and Designation of debtor	Balance at beginning of period	Additions	Amounts collected	Current	Not Current	Balance at the end of the period
Officers, Directors and Employees	₱8,490,564	₱1,133,899	(₱493,971)	₱9,130,492	₱—	₱9,130,492

SCHEDULE C

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

**SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM
RELATED PARTIES WHICH ARE ELIMINATED DURING THE
CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2023**

	Receivable Balance	Payable Balance	Current Portion
CPGI	₱10,065,843,663	(₱286,846,959)	₱9,778,996,704
CLC	919,775,363	(9,280,293,926)	(8,360,518,563)
PPHI	810,621,487	(10,126,762)	800,494,725
CCDC	5,708,043,800	(6,466,358,204)	(758,314,404)
CCC	50,000	(1,232,573,042)	(1,232,523,042)
CPMI	49,347,739	(23,597,970)	25,749,769
CDLC	—	(253,885,189)	(253,885,189)
Total Eliminated Receivables/Payables	₱ 17,553,682,052	(₱17,553,682,052)	₱—

SCHEDULE D**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF INTANGIBLE ASSETS - OTHER ASSETS
DECEMBER 31, 2023**

Description	Beginning Balance	Additions at cost	Charged to cost and expenses	Charged to other accounts	Other changes additions (deductions)	Ending Balance
Trademark	₱3,024,289	₱—	₱—	₱—	₱—	₱3,024,289
Software						
Cost	39,317,744	12,687,025	(11,717,887)	—	—	40,286,882
	₱42,342,033	₱12,687,025	(₱11,717,887)	₱—	₱—	₱43,311,171

SCHEDULE E**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**

SUPPLEMENTARY SCHEDULE OF LONG-TERM DEBT

AND BONDS PAYABLE

DECEMBER 31, 2023

Long-term Debt and Bonds Payable

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current Liabilities" in related balance sheet	Amount shown under caption "Noncurrent Liabilities" in related balance sheet
Term Loan	₱9,045,691,229	₱3,131,607,081	₱5,914,084,148
Payable under CTS financing	1,306,542,403	720,290,023	586,252,380
Bonds payable	8,877,437,104	3,000,000,000	5,877,437,104
	₱19,229,670,736	₱6,851,897,104	₱12,377,773,632

SCHEDULE F

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2023

Indebtedness to related parties (Long-term loans from Related Companies)		
Name of related party	Balance at beginning of period	Balance at end of period
N/A		

SCHEDULE G

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF GUARANTEES OF SECURITIES OF
OTHER ISSUERS
DECEMBER 31, 2023

Guarantees of Securities of Other Issuers				
Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is file	Nature of guarantee
N/A				

SCHEDULE H**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**

SUPPLEMENTARY SCHEDULE OF CAPITAL STOCK

DECEMBER 31, 2023

Capital Stock						
Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common Stock*	15,000,000,000	11,599,600,690	—	—	9	—

**All nine (9) directors have one (1) nominal common shares issued*

SCHEDULE I

CENTURY PROPERTIES GROUP INC.

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION DECEMBER 31, 2023

Unappropriated Retained Earnings, as adjusted to available for dividend distribution, beginning	₱210,150,500

**Add: Net income (loss) actually earned/realized during the
period**

Net income (loss) during the period closed to Retained Earnings	<u>₱264,942,863</u>
Less: Non-actual/unrealized income net of tax	
Equity in net income of associate/joint venture	
Unrealized foreign exchange gain - net (except those attributable to Cash and Cash Equivalents)	
Unrealized actuarial gain	
Fair value adjustment (M2M gains)	
Fair value adjustment of Investment Property resulting to gain	
Adjustment due to deviation from PFRS/GAAP-gain	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	

Sub-total

Add: Non-actual/Unrealized Losses

Depreciation on revaluation increment (after tax)	
Adjustment due to deviation from PFRS/GAAP – loss	
Loss on fair value adjustment of investment property (after tax)	

Net Income Actual/Realized

264,942,863

Add(Less):

Dividend declarations during the period	(241,241,407)
Appropriations of Retained Earnings during the period	
Reversals of appropriations	
Effects of prior period adjustments	
Treasury shares (redeemable pref. shares)	<u>(3,000,000,000) (3,241,241,407)</u>

**TOTAL RETAINED EARNINGS, END
AVAILABLE FOR DIVIDEND**

(₱2,766,148,044)

SCHEDULE J

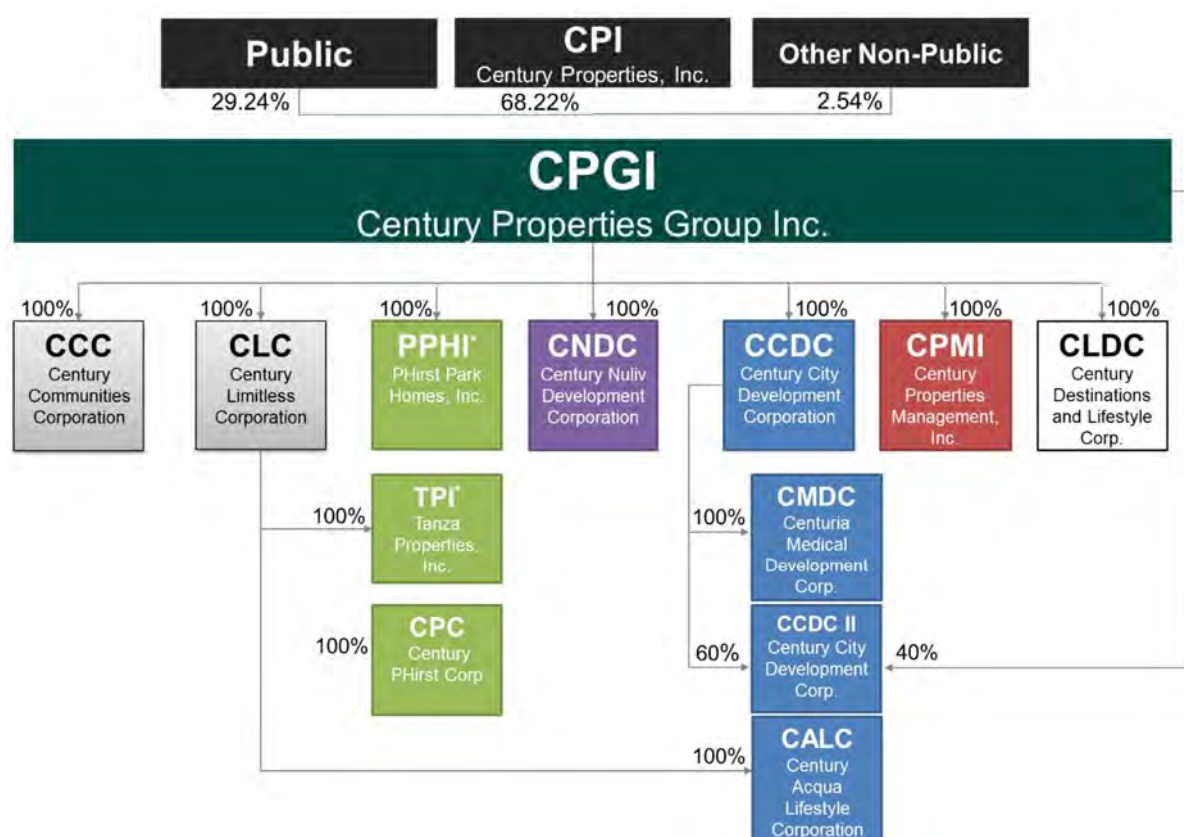
CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

SCHEDULE OF FINANCIAL RATIOS

DECEMBER 31, 2023

Financial ratios	December 31, 2023	December 31, 2022
Current/Liquidity Ratios		
Current Assets	37,948,003,525	36,103,684,078
Current Liabilities	18,311,592,815	10,768,820,128
Current Ratios	2.1	3.4
Current Assets	37,948,003,525	36,103,684,078
Inventory	18,832,235,203	17,723,397,564
Quick Assets	19,115,768,322	18,380,286,514
Current Liabilities	18,311,592,815	10,768,820,128
Quick Ratios	1.0	1.7
Liabilities and Debt Ratios		
Short-term debt	791,664,471	235,141,310
Long-term debt - Current	3,851,897,104	2,192,453,618
Long-term debt - non-current	6,500,336,528	8,813,861,924
Bonds payable	8,877,437,104	5,917,253,923
Debt	20,021,335,207	17,158,710,775
Equity	20,304,338,429	23,792,541,874
Debt-to-Equity	1.0	0.7
Debt	20,021,335,207	17,158,710,775
Cash and Cash Equivalents	3,543,351,959	4,130,877,582
Net Debt	16,477,983,248	13,027,833,193
Equity	20,304,338,429	23,792,541,874
Net Debt-to-Equity	0.8	0.5
Debt	20,021,335,207	17,158,710,775
EBITDA	3,367,875,391	2,475,710,468
Debt-to-EBITDA	5.9	6.9
Income before Income Tax	2,196,835,693	1,623,732,841
Interest expense	1,089,163,808	795,984,164
Depreciation and amortization	81,875,890	55,993,463
EBITDA	3,367,875,391	2,475,710,468
Asset to Equity Ratios		
Total Assets	55,385,411,059	53,931,100,449
Total Equity	20,304,338,429	23,792,541,874
Asset to Equity Ratio	2.7	2.3
Liabilities to Equity Ratios		
Total Liabilities	35,081,072,630	30,138,558,574
Total Equity	20,304,338,429	23,792,541,874
Liabilities to Equity Ratio	1.7	1.3

Financial ratios	December 31, 2023	December 31, 2022
Profitability ratios		
Revenue	12,701,416,652	11,126,646,235
Gross Profit	5,929,314,100	4,810,221,057
Gross Profit Ratio	47%	43%
Net Income Attributable to Equity holders of the Parent Company	1,321,395,610	1,321,395,610
Revenue	12,701,416,652	11,126,646,235
Net Income Margin	10.40%	8.10%
Total Net Income after tax	1,854,643,360	1,404,759,079
Total Asset CY	55,385,411,059	53,931,100,449
Total Asset PY	53,931,100,448	54,506,509,548
Average total asset	54,658,255,754	54,218,804,999
Return on Asset	3.4%	2.6%
Total Net Income after tax	1,854,643,3660	1,404,759,079
Total Equity CY	20,304,338,429	23,792,541,874
Total Equity PY	23,792,541,874	22,350,664,641
Average total equity	22,048,440,152	23,071,603,258
Return on Equity	8.4%	6.1%
Net Income	1,854,643,3660	1,404,759,079
Revenue	12,701,416,652	11,126,646,235
Net Income Margin	14.6%	12.6%

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT COMPANY AND CO-SUBSIDIARIES****DECEMBER 31, 2023**

Century Properties Group Inc. (CPGI) – incorporated in May 6, 1975, CPGI is the listed Company of CPI with property development corporations as subsidiaries.

CPGI Subsidiaries

Century City Development Corporation (CCDC) – incorporated in 2006, is focused on developing mixed-use communities that contain residences, office and retail properties. CCDC is currently developing Century City, a 3.4 hectare mixed-use development along Kalayaan Avenue, Makati City. CCDC has fourteen local subsidiaries.

Milano Development Corporation (MDC) & Centuria Medical Development Corporation (CMDC) – is a wholly owned subsidiary of CCDC. Affiliated company under CCDC includes CCDC II which is 60% owned by CCDC and 40% owned by CPGI.

Century Communities Corporation – incorporated in 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 is currently developing Canyon Ranch, a 25-hectare house and lot development located in Carmona, Cavite. 100% owned by CPGI.

Century Limitless Corporation (CLC) – incorporated in 2008, is Century's brand category that focuses on developing high-quality, affordable residential projects. Projects under CLC caters to first-time home buyers, start-up families and investors seeking safe, secure and convenient homes. It has one internal branch office in Singapore namely CLC Singapore. CLC is 100% owned by CPGI.

Phirst Park Homes, Inc. (PPHI) – incorporated in 2018, is the new First-Home brand of PHirst Park Homes Incorporated. It focuses in developing affordable horizontal house and lot development, it aims to promote a balanced life that enhances one's way of living and overall value where they and their families can thrive in a safe and secured environment. PPHI is 100% owned by CPGI.

Century Nuliv Development Corporation (CNDC) – incorporated in 2020, is Century's newest brand category which will focus on building townhouses and other low-rise structures while focusing on sustainability, health and wellness. Projects under CNDC offers homes which come in a range of choices: upscale and premium town villas, homes and enclaves. CNDC is 100% owned by CPGI.

SCHEDULE L**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SCHEDULE OF BONDS PROCEEDS****DECEMBER 31, 2023****₱3.0 BILLION BONDS DUE ON 2024**

Use of Proceeds	ESTIMATED PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of Bonds	₱3,000,000,000	₱3,000,000,000
Less: Upfront fees		
SEC registration and legal research fee	1,325,625	1,325,625
Underwriting fees	22,500,000	22,500,000
DST	22,500,000	22,500,000
Estimated Professional and Agency Fees	9,343,100	14,306,538
Listing application fees	100,000	100,000
Other Miscellaneous expense	50,000	44,837
Subtotal	₱55,818,725	₱60,777,000
Net proceeds	₱2,944,181,275	₱2,939,223,000

Balance of Proceeds as of December 31, 2023**NIL**

Century Properties Group, Inc. raised from the Bonds gross proceeds of ₱3.0 billion. After issue-related expenses, actual net proceeds amounted to approximately ₱2.94 billion were used to partially repay existing obligations of the Company, and partially finance capital expenditures of vertical project development and other corporate fund requirements.

₱3.0 BILLION BONDS DUE ON 2027

Use of Proceeds	ESTIMATED PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of Bonds	₱3,000,000,000	₱3,000,000,000
Less: Upfront fees		
SEC registration and legal research fee	1,325,625	1,325,625
Underwriting fees	22,500,000	22,500,000
DST	22,500,000	22,500,000
Estimated Professional and Agency Fees	9,343,100	23,436,549
Listing application fees	100,000	100,000
Other Miscellaneous expense	50,000	44,837
Subtotal	₱55,818,725	₱69,907,011
Net proceeds	₱2,944,181,275	₱2,930,092,989

Balance of Proceeds as of December 31, 2023**NIL**

Century Properties Group, Inc. raised from the Bonds gross proceeds of ₱3.00 billion. After issue-related expenses, actual net proceeds amounted to approximately ₱2.93 billion were used to partially repay existing obligations of the Company, and partially finance capital expenditures of vertical project development and other corporate fund requirements.

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**SCHEDULE OF BONDS PROCEEDS****December 31, 2023****₱3.0 BILLION BONDS**

- ₱0.7 billion due on 2027
- ₱1.3 billion due on 2028
- ₱1.0 billion due on 2030

Use of Proceeds	ESTIMATED PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of Bonds	₱3,000,000,000	₱3,000,000,000
Less: Upfront fees		
SEC registration and legal research fee	757,530	757,530
Underwriting fees	22,500,000	22,500,000
DST	22,500,000	22,500,000
Estimated Professional and Agency Fees	9,683,000	7,526,920
Listing application fees	300,000	300,000
Other Miscellaneous expense	50,000	50,000
Subtotal	₱55,790,530	₱53,634,450
Net proceeds	₱2,944,209,470	₱2,946,365,550
Balance of Proceeds as of December 31, 2023	NIL	

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

0	0	0	0	0	6	0	5	6	6

COMPANY NAME

C	E	N	T	U	R	Y		P	R	O	P	E	R	T	I	E	S		G	R	O	U	P		I	N	C	.	
A	N	D		S	U	B	S	I	D	I	A	R	I	E	S														

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

3	5	/	F		C	E	N	T	U	R	Y		D	I	A	M	O	N	D		T	O	W	E	R	,		C	E
N	T	U	R	Y		C	I	T	Y	,		K	A	L	A	Y	A	A	N		A	V	E	.		C	O	R	.
S	A	L	A	M	A	N	C	A		S	T	.	,		P	O	B	L	A	C	I	O	N	,		M	A	K	A
T	I		C	I	T	Y																							

Form Type

A	A	F	S

Department requiring the report

S	E	C

Secondary License Type, If Applicable

N	/	A

COMPANY INFORMATION

Company's Email Address

cpgi@century-properties.com

Company's Telephone Number

(02)7793-5526

Mobile Number

N/A

No. of Stockholders

496

Annual Meeting (Month / Day)

6/27

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Isabelita C. Sales

Email Address

cpgi@century-properties.com

Telephone Number/s

N/A

Mobile Number

09955734010

CONTACT PERSON'S ADDRESS

35F Century Diamond Tower, Century City, Kalayaan Avenue, Makati City

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

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



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The management of **Century Properties Group Inc. and Subsidiaries** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein for the years ended December 31, 2022, 2021 and 2020, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

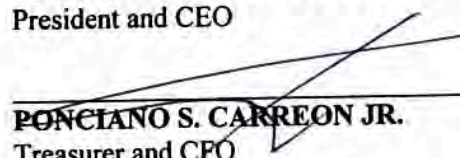
The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.


JOSE EDUARDO B. ANTONIO
Chairman of the Board

Jose M. R. Antonio

JOSE MARCO R. ANTONIO
President and CEO

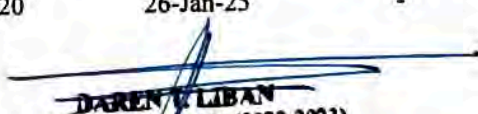

PONCIANO S. CARREON JR.
Treasurer and CFO

APR 14 2023

SUBSCRIBED AND SWORN to before me this _____ day of _____ 20____ affiants exhibiting to me their competent evidence of identity, as follows:

Name	Competent Evidence of Identity	Expiry Date	Place Issued
Jose Eduardo B. Antonio	Driver's license no. N03-12-045361	24-Nov-23	-
Jose Marco R. Antonio	Passport no. P2695556B	31-Jul-29	DFA, Manila
Ponciano S. Carreon Jr.	PRC Reg. no. 0092320	26-Jan-25	-

Doc. No. 03:
Page No. 36:
Book No. 11:
Series of MM


DAREN T. LIBAN
Appointment No. M-164 (2022-2023)
Notary Public for Makati City
Until December 2023
23rd Floor, Century Diamond Tower, Century City,
Kalayaan Avenue corner Salamanca Street,
Barangay Poblacion, Makati City
Roll of Attorneys No. 73659
IBP No. 268918, 01.04.2023/PPLM Chapter
PTR No. 9568050 MM, 01.04.2023/Makati City
MCLE Compliance No. VII-0017405
Valid until April 14, 2025

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Century Properties Group Inc.
21st Floor, Pacific Star Building
Sen. Gil Puyat corner Makati Avenue
Makati City

Opinion

We have audited the consolidated financial statements of Century Properties Group Inc. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2022 and 2021, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group as at December 31, 2022 and 2021, and for each of the three years in the period ended December 31, 2022 are prepared in all material respects, in accordance with the Philippine Financial Reporting Standards (PFRSs), as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission, as described in Note 2 to the consolidated financial statements.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 2 to the consolidated financial statements which indicates that the consolidated financial statements have been prepared in accordance with PFRSs, as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission in response to the COVID-19 pandemic. The impact of the application of the financial reporting reliefs on the 2022 consolidated financial statements are discussed in detail in Note 2. Our opinion is not modified in respect of this matter.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Real Estate Revenue Recognition

The Group's revenue recognition process, policies and procedures is significant to our audit because this involves the application of significant judgment and estimation in the following areas: (1) assessment of the probability that the Group will be able to collect the consideration from the buyer; 2) determination of the transaction price; (3) application of the output method as the measure of progress of project completion in determining real estate sales; (4) determination of the actual costs incurred as cost of real estate sales; and (5) recognition of costs to obtain a contract.

In evaluating whether collectability of the amount of consideration is probable, the Group considers the significance of the buyer's initial payments in relation to the total contract price (or buyer's equity). Collectability is assessed by considering factors such as past collection history, age of receivables and the pricing of the property. Management regularly evaluates the history of sales cancellations and back-outs, after considering also the impact of the coronavirus pandemic, to determine if these would continue to support the Group's current threshold of buyer's equity before commencing revenue recognition.

In determining the transaction price, the Group considers the selling price of the real estate property and other fees and charges collected from the buyers that are not held on behalf of other parties.

In measuring the progress of its performance obligation over time, the Group uses the output method. This method measures progress based on physical proportion of work done which requires technical determination by the management's specialist (third party project managers).

In determining the actual costs incurred to be recognized as cost of real estate sales, the Group estimates costs incurred on materials, labor and overhead that have not yet been billed by the contractors.

The Group identifies sales commission after contract inception as cost of obtaining a contract. For contracts that qualified for revenue recognition, the Group capitalized the total sales commission due to the sales agent and recognized the related liability. The Group uses the percentage-of-completion (POC) method in amortizing sales commission consistent with its revenue recognition policy.

The disclosures related to real estate revenue are included in Note 31 to the consolidated financial statements.



Audit Response

We obtained an understanding of the Group's revenue recognition process, policies and procedures.

For the buyer's equity, we evaluated management's basis of the buyer's equity by comparing this to the historical analysis of sales cancellation from buyers with accumulated payments above the collection threshold. We also considered the impact of the coronavirus pandemic to the level of cancellations during the year. We traced the analysis to supporting documents such as the buyer's collection reports, cancellation notices and official receipts.

For the determination of the transaction price, we obtained an understanding of the nature of other fees charged to the buyers. For selected contracts, we agreed the amounts excluded from the transaction price against the expected amounts required to be remitted to the government based on existing tax rules and regulations (e.g., documentary stamp taxes, transfer taxes and real property taxes).

For the application of the output method in determining real estate revenue, we obtained an understanding of the Group's processes for determining the POC and performed tests of the relevant controls. We obtained the certified POC reports prepared by the project managers and assessed their competence and objectivity by reference to their qualifications, experience and reporting responsibilities. For selected projects, we conducted ocular inspections, made relevant inquiries, including inquiries on how the coronavirus pandemic affected the POC during the year, and obtained the supporting details of POC reports showing the completion of the major activities of the project construction.

For the cost of real estate sales, we obtained an understanding of the Group's cost accumulation process and tested relevant controls. For selected projects, we traced the accumulated costs, including those costs incurred but not yet billed, to supporting documents such as invoices, accomplishment reports from the contractors, official receipts, among others.

For the recognition of cost to obtain a contract, we obtained an understanding of the sales commission process. For selected contracts, we agreed the basis for calculating the sales commission capitalized and portion recognized in profit or loss, particularly (1) the percentage of commission due against contracts with sales agents, (2) the total commissionable amount (i.e., net contract price) against the related contract to sell, and, (3) the POC used in calculating the sales commission against the POC used in recognizing the related revenue from real estate sales.

Valuation of Investment Properties at Fair Value

The Group accounts for its investment properties using the fair value model. Investment properties consist of land and buildings leased out to tenants and represent 23% of consolidated assets as of December 31, 2022. The Group used the income approach for the valuation of its investment properties. The determination of the fair value of investment properties involves significant management judgment and estimation. The valuation also requires the involvement of an appraiser whose calculations also depend on certain assumptions such as market rent levels, expected vacancy, discount rates and expected maintenance. Thus, we considered the valuation of investment properties at fair value as a key audit matter.

The disclosures relating to investment properties are included in Note 11 to the consolidated financial statements.



Audit Response

We evaluated the competence, capabilities and objectivity of the appraisers by considering their qualifications, experience and reporting responsibilities. We reviewed the methodology and assumptions used in the valuation of the investment properties. We assessed the methodology adopted by referencing common valuation models in accordance with the assets' highest and best use, and evaluated key inputs used in the valuation, specifically market rent levels, expected vacancy, discount rates and expected maintenance. We compared the inputs and assumptions used against internal and external evidence such as lease contracts, historical vacancy rates and maintenance costs, and published market data. We also reviewed the disclosures relating to investment properties.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2022, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2022 are expected to be made available to us after the date of this auditor's report.

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRSs, as modified by the application of financial reporting reliefs issued and approved by the SEC as described in Note 2 to the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in accordance with PFRSs, as modified by the application of financial reporting reliefs issued and approved by the SEC, as described in Note 2 to the consolidated financial statements.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.



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

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

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

The engagement partner on the audit resulting in this independent auditor's report is
Ma. Emilita L. Villanueva.

SYCIP GORRES VELAYO & CO.



Ma. Emilita L. Villanueva

Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, August 25, 2022, valid until April 15, 2024

SEC Partner Accreditation No. 95198-SEC (Group A)

Valid to cover audit of 2022 to 2025 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2022 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-141-2022, November 10, 2022, valid until November 9, 2024

PTR No. 9566019, January 3, 2023, Makati City

March 28, 2023



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2022	2021
ASSET		
Current Assets		
Cash and cash equivalents (Note 4)	₱4,130,877,582	₱3,693,074,161
Short-term investments (Note 5)	36,786,565	1,032,513,990
Receivables (Notes 3 and 6)	9,845,284,321	9,295,128,847
Real estate inventories (Note 7)	17,723,397,564	16,143,099,068
Due from related parties (Note 17)	975,322,703	526,962,834
Advances to suppliers and contractors (Note 8)	1,749,972,375	2,426,743,608
Other current assets (Note 13)	1,642,042,968	1,895,462,320
Total Current Assets	36,103,684,078	35,012,984,828
Noncurrent Assets		
Noncurrent portion of installment contracts receivable (ICR; Notes 3 and 6)	109,043,517	366,000,813
Deposits for purchased land (Note 9)	1,409,481,407	1,358,812,116
Investments in and advances to joint ventures and associate (Note 10)	275,367,104	274,504,404
Investment properties (Note 11)	12,394,980,010	13,995,031,354
Property and equipment (Note 12)	2,484,315,465	1,815,836,169
Deferred tax assets - net (Note 28)	33,204,518	26,764,445
Other noncurrent assets (Note 13)	1,121,024,349	1,656,575,419
Total Noncurrent Assets	17,827,416,370	19,493,524,720
TOTAL ASSETS	₱53,931,100,448	₱54,506,509,548
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Note 15)	₱4,994,692,908	₱5,251,100,289
Contract liabilities (Note 16)	2,769,098,151	3,048,610,842
Due to related parties (Note 17)	358,060,626	317,358,734
Short-term debt (Note 18)	235,141,310	468,360,083
Current portion of:		
Long-term debt (Note 18)	2,192,453,618	5,467,828,327
Liabilities from purchased land (Note 19)	67,200,000	67,200,000
Lease liabilities (Note 29)	15,434,671	25,543,296
Bonds payable (Note 20)	—	2,992,055,358
Income tax payable	68,577,371	69,408,506
Other current liabilities (Notes 29 and 33)	68,161,473	109,551,140
Total Current Liabilities	10,768,820,128	17,817,016,575
Noncurrent Liabilities		
Noncurrent portions of:		
Long-term debt (Note 18)	8,813,861,924	6,370,779,023
Bonds payable (Note 20)	5,917,253,923	2,955,140,071
Liabilities from purchased land (Note 19)	63,782,533	141,145,286
Lease liabilities (Note 29)	12,297,519	31,596,667

(Forward)



	December 31	
	2022	2021
Pension liabilities (Note 27)	₱231,186,468	₱279,629,948
Deferred tax liabilities - net (Note 28)	2,542,144,918	2,647,906,504
Other noncurrent liabilities (Notes 29 and 33)	1,789,211,161	1,912,630,833
Total Noncurrent Liabilities	19,369,738,446	14,338,828,332
Total Liabilities	30,138,558,574	32,155,844,907
Equity (Note 21)		
Common stock - ₱0.53 par value		
Authorized - 15,000,000,000 common shares		
Issued - 11,699,723,690 common shares	6,200,853,553	6,200,853,553
Preferred stock - ₱0.53 par value	15,900,000	15,900,000
Authorized - 3,000,000,000 common shares		
Issued - 30,000,000 common shares		
Additional paid-in capital	5,524,776,889	5,524,776,889
Treasury shares - 100,123,000 shares	(109,674,749)	(109,674,749)
Retained earnings	10,514,098,828	9,814,339,360
Remeasurement loss on defined benefit plan	17,440,823	(42,504,741)
Other components of equity	(683,197,961)	(683,197,961)
Total Equity Attributable to Equity Holders of the Parent Company	21,480,197,383	20,720,492,351
Non-controlling Interest (Note 21)	2,312,344,491	1,630,172,290
Total Equity	23,792,541,874	22,350,664,641
TOTAL LIABILITIES AND EQUITY	₱53,931,100,448	₱54,506,509,548

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2022	2021	2020
REVENUES			
Revenue from contracts with customers:			
Real estate sales (Note 31)	₱9,231,484,879	₱7,664,401,653	₱9,482,619,641
Property management fee and other services (Notes 24 and 31)	423,367,957	400,011,317	389,723,319
Leasing revenue (Notes 11 and 29)	1,362,474,800	1,200,366,601	795,034,245
Interest income from real estate sales (Note 6)	109,318,599	180,116,059	168,367,487
	11,126,646,235	9,444,895,630	10,835,744,692
COSTS			
Cost of real estate sales (Note 7)	5,607,263,687	4,808,420,850	6,082,949,532
Cost of leasing (Note 11)	440,815,699	352,043,445	226,533,530
Cost of services (Note 24)	268,345,792	272,728,398	285,985,555
	6,316,425,178	5,433,192,693	6,595,468,617
GROSS PROFIT	4,810,221,057	4,011,702,937	4,240,276,075
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES (Note 22)	2,771,098,396	2,692,905,068	2,863,713,699
OTHER INCOME (EXPENSES) – net			
Interest income and others (Notes 14 and 25)	469,275,355	397,550,153	568,068,169
Gain from change in fair value of investment properties (Note 11)	28,245,738	225,495,620	558,621,018
Foreign exchange gain	1,060,911	3,210,517	2,070,399
Share in net earnings of joint ventures and associate (Note 10)	3,917,700	8,944,200	6,791,973
Interest and other financing charges (Note 26)	(917,889,517)	(894,592,075)	(947,509,167)
	(415,389,813)	(259,391,585)	188,042,392
INCOME BEFORE INCOME TAX	1,623,732,848	1,059,406,284	1,564,604,768
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 28)	218,973,769	(209,699,864)	415,370,732
NET INCOME	1,404,759,079	1,269,106,148	1,149,234,036
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>			
Remeasurement gain (loss) on defined benefit plan - net of deferred tax (Note 27)	64,468,759	75,994,161	(37,324,869)
Net change in fair value of equity instruments at fair value through OCI	–	(352,783)	(613,473)
TOTAL COMPREHENSIVE INCOME	₱1,469,227,838	₱1,344,747,526	₱1,111,295,694
Net income attributable to:			
Equity holders of the Parent Company (Note 21)	₱901,290,468	₱950,750,431	₱795,555,466
Non-controlling interest (Note 21)	503,468,611	318,355,717	353,678,570
	₱1,404,759,079	₱1,269,106,148	₱1,149,234,036
Total comprehensive income attributable to:			
Equity holders of the Parent Company (Note 21)	₱961,236,032	₱1,026,391,809	₱758,230,597
Non-controlling interest (Note 21)	507,991,806	318,355,717	353,065,097
	₱1,469,227,838	₱1,344,747,526	₱1,111,295,694
Basic earnings per share (Note 21)	₱0.060	₱0.065	₱0.051

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

	Total Equity Attributable to Equity Holders of the Parent Company									
	Common Stock	Preferred Stock	Additional Paid-in Capital	Treasury Shares	Other Components of Equity	Retained Earnings	Remeasurement Loss on Defined Benefit Plan	Total	Non-controlling Interest	Total
At January 1, 2022	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	(₱683,197,961)	₱9,814,339,360	(₱42,504,741)	₱20,720,492,351	₱1,630,172,290	₱22,350,664,641
Net income	—	—	—	—	—	901,290,468	—	901,290,468	503,468,611	1,404,759,079
Other comprehensive income (Note 27)	—	—	—	—	—	—	59,945,564	59,945,564	4,523,195	64,468,759
Total comprehensive income	—	—	—	—	—	901,290,468	59,945,564	961,236,032	507,991,806	1,469,227,838
Cash dividends (Note 21)	—	—	—	—	—	(201,531,000)	—	(201,531,000)	(200,000,000)	(401,531,000)
Additional investment by non-controlling interest (Note 21)	—	—	—	—	—	—	—	—	320,000,000	320,000,000
Transfer from deposits for preference shares subscription (Notes 21 and 33)	—	—	—	—	—	—	—	—	54,180,395	54,180,395
At December 31, 2022	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	(₱683,197,961)	₱10,514,098,828	₱17,440,823	₱21,480,197,383	₱2,312,344,491	₱23,792,541,874
At January 1, 2021	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	(₱682,845,178)	₱9,028,945,474	(₱118,498,902)	₱19,859,457,087	₱1,271,816,573	₱21,131,273,660
Net income	—	—	—	—	—	950,750,431	—	950,750,431	318,355,717	1,269,106,148
Other comprehensive income (loss) (Note 27)	—	—	—	—	(352,783)	—	75,994,161	75,641,378	—	75,641,378
Total comprehensive income	—	—	—	—	(352,783)	950,750,431	75,994,161	1,026,391,809	318,355,717	1,344,747,526
Cash dividends (Note 21)	—	—	—	—	—	(165,356,545)	—	(165,356,545)	(160,000,000)	(325,356,545)
Additional investment by non-controlling interest (Note 21)	—	—	—	—	—	—	—	—	200,000,000	200,000,000
At December 31, 2021	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	(₱683,197,961)	₱9,814,339,360	(₱42,504,741)	₱20,720,492,351	₱1,630,172,290	₱22,350,664,641
At January 1, 2020	₱6,200,853,553	₱—	₱2,639,742,141	(₱109,674,749)	₱99,393,242	₱8,733,916,278	(₱81,174,033)	₱17,483,056,432	₱2,132,513,056	₱19,615,569,488
Net income	—	—	—	—	—	795,555,466	—	795,555,466	353,678,570	1,149,234,036
Other comprehensive loss (Note 27)	—	—	—	—	—	—	(37,324,869)	(37,324,869)	(613,473)	(37,938,342)
Total comprehensive income	—	—	—	—	—	795,555,466	(37,324,869)	758,230,597	353,065,097	1,111,295,694
Cash dividends (Note 21)	—	—	—	—	—	(500,526,270)	—	(500,526,270)	(96,000,000)	(596,526,270)
Issuance of preferred stock	—	15,900,000	2,885,034,748	—	—	—	—	2,900,934,748	—	2,900,934,748
Acquisition of non-controlling interest (Note 21)	—	—	—	—	(782,238,420)	—	—	(782,238,420)	(1,117,761,580)	(1,900,000,000)
At December 31, 2020	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱109,674,749)	(₱682,845,178)	₱9,028,945,474	(₱118,498,902)	₱19,859,457,087	₱1,271,816,573	₱21,131,273,660

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2022	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱1,623,732,848	₱1,059,406,284	₱1,564,604,768
Adjustments for:			
Interest and other financing charges (Note 26)	917,889,517	894,592,075	947,509,167
Depreciation and amortization (Notes 12, 13 and 22)	55,993,463	67,580,015	59,467,026
Retirement expense (Note 27)	47,016,562	50,112,456	53,846,232
Gain from pre-termination of lease contracts (Note 29)	—	—	(5,798,312)
Interest income (Notes 4, 5, 6, 14 and 25)	(162,524,367)	(220,318,454)	(263,269,520)
Gain from change in fair value of investment properties (Note 11)	(28,245,738)	(225,495,620)	(558,621,018)
Share in net earnings of joint ventures and associate (Note 10)	(3,917,700)	(8,944,200)	(6,791,973)
Impairment on investment in joint venture (Note 10)	3,055,000	—	—
Loss on sale of investment properties (Notes 11 and 25)	815,953	34,128,752	12,978,992
Operating income before working capital changes	2,453,815,538	1,651,061,308	1,803,925,362
Decrease (increase) in:			
Receivables	(183,879,579)	2,134,808,092	488,985,564
Real estate inventories	127,271,816	(1,317,290,278)	1,455,337,334
Advances to suppliers and contractors	676,771,233	960,841	(421,194,166)
Other assets	305,892,453	(27,242,594)	(650,382,893)
Increase (decrease) in:			
Accounts and other payables	(256,407,382)	(7,771,058)	(488,190,474)
Contract liabilities	(279,512,691)	1,590,833,840	(326,316,578)
Liability from purchased land intended for development	(77,362,753)	(67,190,457)	(60,000,000)
Other liabilities	(80,380,904)	(117,059,539)	590,054,996
Cash generated by operations	2,686,207,731	3,841,110,155	2,392,219,145
Interest received (Note 25)	53,205,768	40,202,395	263,269,520
Interest and other financing costs paid	(1,018,045,757)	(1,150,215,529)	(1,272,763,532)
Income taxes paid	(288,055,516)	(62,656,415)	(136,876,642)
Retirement benefits paid (Note 27)	(15,025,874)	(31,313,494)	(43,089,171)
Net cash provided by operating activities	1,418,286,352	2,637,127,112	1,202,759,320
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from:			
Maturity of short-term investments	995,727,425	—	—
Sale of investment properties (Note 11)	31,056,047	92,923,673	28,544,184
Refund of rental deposits (Note 29)	—	—	20,002,609
Sale of property and equipment	—	12,145,459	—
Maturity of investment in bonds (Note 14)	—	463,750,000	—
Payments for:			
Additions to investment properties (Note 11)	(13,448,339)	(269,005,777)	(113,329,077)
Additions to short-term investments (Note 5)	—	(747,272,234)	(285,241,756)
Additions to property and equipment (Notes 12 and 35)	(160,225,133)	(28,549,518)	(223,000,485)
Deposits for purchased land (Note 9)	(80,830,196)	(4,569,060)	(274,799,837)
Intangible assets (Note 13)	—	(22,455,101)	(5,346,041)
Acquisition of non-controlling interest (Note 21)	—	—	(1,900,000,000)
Advances made to related parties	(442,835,692)	(62,539,972)	(44,768,238)
Net cash provided by (used in) investing activities	329,444,112	(565,572,530)	(2,797,938,641)

(Forward)



	Years Ended December 31		
	2022	2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Short-term and long-term debt (Note 18)	₱6,776,350,442	₱3,365,320,535	₱6,099,533,446
Issuance of preferred stock (Note 21)	—	—	2,910,771,277
Issuance of bonds payable (Note 20)	3,000,000,000	3,000,000,000	—
Additional investment from non-controlling interest (Note 21)	320,000,000	200,000,000	—
Increase (decrease) in deposits for preferred shares	(30,248,038)	—	56,107,956
Receipts of advances made from related parties	40,701,892	47,352,712	126,452,736
Payments for:			
Short-term and long-term debt (Note 18)	(7,868,987,759)	(6,751,494,594)	(7,225,067,363)
Deferred financing cost (Notes 18 and 20)	(116,804,807)	(82,986,143)	(86,445,789)
Cash dividends (Note 21)	(201,531,000)	(327,440,181)	(297,179,924)
Dividends paid to non-controlling interest (Note 21)	(200,000,000)	(160,000,000)	(96,000,000)
Lease liabilities (Note 29)	(29,407,773)	(23,678,500)	(17,090,874)
Bonds payable (Note 20)	(3,000,000,000)	(119,110,000)	(1,393,530,000)
Bond issuance cost (Note 13)	—	—	(13,825,625)
Net cash provided by (used in) financing activities	(1,309,927,043)	(852,036,171)	63,725,840
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	437,803,421	1,219,518,411	(1,531,453,481)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR (Note 4)	3,693,074,161	2,473,555,750	4,005,009,231
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	₱4,130,877,582	₱3,693,074,161	₱2,473,555,750

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Century Properties Group Inc. (the Parent Company or CPGI), a publicly listed company, was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on May 6, 1975. The Parent Company is a 68.22%-owned subsidiary of Century Properties Inc. (the Ultimate Parent or CPI) and the rest by the public. CPGI and its subsidiaries (collectively referred to hereinafter as the Group) is primarily engaged in the development and construction of residential and commercial real estate projects.

The consolidated financial statements as at December 31, 2022 and 2021 and for each of the three years in the period ended December 31, 2022 were approved and authorized for issue by the Board of Directors (BOD) on March 28, 2023.

2. Summary of Significant Accounting Policies

Basis of Preparation

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries.

The consolidated financial statements have been prepared using the historical cost basis except for investment properties and security deposits. The consolidated financial statements are presented in Philippine Peso (₱), which is the functional currency of the Parent Company and of all the investee companies. All amounts are rounded off to the nearest ₱, except when otherwise indicated.

Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs), as modified by the application of the financial reporting relief on the accounting for significant financing components as issued and approved by the SEC in response to the COVID-19 pandemic:

- a. Assessing if the transaction price includes a significant financing component discussed in Philippine Interpretations Committee (PIC) Questions and Answers (Q&A) No. 2018-12-D;
- b. Treatment of land in the determination of percentage of completion (POC) discussed in PIC Q&A No. 2018-12-E; and,
- c. Application of International Financial Reporting Interpretations Committee (IFRIC) Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*).

These accounting pronouncements address the issues of PFRS 15, *Revenue from Contracts with Customers*, affecting the real estate industry:

- *Deferral of the following provisions of Philippine Interpretations Committee (PIC) Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry*
 - a. Assessing if the transaction price includes a significant financing component (as amended by PIC Q&A 2020-04);
 - b. Treatment of land in the determination of the percentage-of-completion (POC); and
 - c. Treatment of uninstalled materials in the determination of the POC (as amended by PIC Q&A 2020-02).



- *Deferral of the adoption of PIC Q&A 2018-14: Accounting for Cancellation of Real Estate Sales (as amended by PIC Q&A 2020-05)*

The consolidated financial statements also include the availment of relief under SEC Memorandum Circular (MC) No. 4-2020 to defer the adoption of IFRIC Agenda Decision on Over Time Transfers of Constructed Goods under PAS 23, *Borrowing Cost* (the IFRIC Agenda Decision on Borrowing Cost) until December 31, 2020.

In December 2020, the SEC issued MC No. 34-2020, allowing the further deferral of the adoption of provisions (a) and (b) above of PIC Q&A 2018-12 and the IFRIC Agenda Decision on Borrowing Cost, for another three (3) years or until December 31, 2023.

The details and the impact of the adoption of the above financial reporting reliefs are discussed in the section below under Changes in Accounting Policies and Disclosures.

PFRSs include Philippine Financial Reporting Standards, Philippine Accounting Standards (PAS) and interpretations issued by PIC.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and the following subsidiaries:

	Percentage of Ownership		
	2022	2021	2020
Century Limitless Corporation (CLC)	100	100	100
Century Acqua Lifestyle Corporation (CALC)	100	100	100
Tanza Properties I, Inc. (TPI I)	60	60	60
Tanza Properties II, Inc. (TPI II)	60	60	60
Tanza Properties III, Inc. (TPI III)	60	60	60
Katipunan Prime Development Corporation (KPDC)	100	100	100
Century PHirst Corporation (CPC)*	100	100	100
Century Properties Management, Inc. (CPMI)	100	100	100
Siglo Suites, Inc. (SSI)	100	100	100
Siglo Commercial Management Corporation (SCMC) ****	-	100	100
Century Communities Corporation (CCC)	100	100	100
Century City Development Corporation (CCDC)	100	100	100
Century City Development Corporation II (CCDC II)	100	100	100
Centuria Medical Development Corporation (CMDC)	100	100	100
Knightsbridge Residences Development Corporation****	-	100	100
Milano Development Corporation (MDC)	100	100	100
Century City Development Corporation VII****	-	100	100
Century City Development Corporation VIII****	-	100	100
Century City Development Corporation X****	-	100	100
Century City Development Corporation XI****	-	100	100
Century City Development Corporation XII****	-	100	100
Century City Development Corporation XIV****	-	100	100
Century City Development Corporation XV****	-	100	100
Century City Development Corporation XVI****	-	100	100
Century City Development Corporation XVII****	-	100	100
Century City Development Corporation XVIII****	-	100	100
Century Destination Lifestyle Corporation (CDLC)**	100	100	100
PHirst Park Homes, Inc. (PPHI)	60	60	60
Century Nu Liv Corporation (CNLC)***	100	100	100

*formerly PHirst Park Homes Development Corporation (PPHDC)

**formerly Century Properties Hotel and Leisure Inc. (CPHLI)

***formerly Century Prima Corporation (CPrC).

****liquidated during 2022



Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed during the year are included or excluded in the consolidated financial statements from the date the Group gains control or until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary, the carrying amount of any non-controlling interests (NCI) and the cumulative translation differences recorded in equity.
- Recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

Adoption of New and Amended Accounting Standards and Interpretations

The accounting policies adopted are consistent with those of the previous financial year, except that the Group has adopted the following new accounting pronouncements starting January 1, 2022. Unless otherwise indicated, adoption of these pronouncements did not have any significant impact on the Group's financial position or performance.

Effective beginning on or after January 1, 2022

- Amendments to PFRS 3, *Reference to the Conceptual Framework*
- Amendments to PAS 16, *Plant and Equipment: Proceeds before Intended Use*
- Amendments to PAS 37, *Onerous Contracts – Costs of Fulfilling a Contract*
- *Annual Improvements to PFRSs 2018-2020 Cycle*
 - Amendments to PFRS 1, *First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*



- Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' test for derecognition of financial liabilities*
- Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

Future Changes in Accounting Policies

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2023

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to PAS 8, *Definition of Accounting Estimates*
- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- *Deferral of Certain Provisions of PIC Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04)*
On February 14, 2018, the PIC issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 08, 2019, the Philippine SEC issued SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

A summary of the PIC Q&A provisions covered by the SEC deferral and the related deferral period follows:

	Deferral Period
a. Assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04)	Until December 31, 2023
b. Treatment of land in the determination of the POC discussed in PIC Q&A 2018-12-E	Until December 31, 2023

The SEC Memorandum Circulars also provided the mandatory disclosure requirements should an entity decide to avail of any relief. Disclosures should include:

- The accounting policies applied.
- Discussion of the deferral of the subject implementation issues in the PIC Q&A.



- c. Qualitative discussion of the impact on the financial statements had the concerned application guidelines in the PIC Q&A been adopted.
- d. Should any of the deferral options result into a change in accounting policy (e.g., when an entity excludes land and/or uninstalled materials in the POC calculation under the previous standard but opted to include such components under the relief provided by the circular), such accounting change will have to be accounted for under PAS 8, i.e., retrospectively, together with the corresponding required quantitative disclosures.

In November 2020, the PIC issued the following Q&As which provide additional guidance on the real estate industry issues covered by the above SEC deferrals:

- PIC Q&A 2020-04, which provides additional guidance on determining whether the transaction price includes a significant financing component; and
- PIC Q&A 2020-02, which provides additional guidance on determining which uninstalled materials should not be included in calculating the POC.

After the deferral period, real estate companies have an accounting policy option of applying either the full retrospective approach or modified retrospective approach as provided under SEC MC 8-2021. The Group availed of the SEC reliefs to defer the above specific provisions of PIC Q&A No. 2018-12 on determining whether the transaction price includes a significant financing component. Had these provisions been adopted, the Group assessed that the impact would have been as follows:

- a. The mismatch between the POC of the real estate projects and right to an amount of consideration based on the schedule of payments provided for in the contract to sell might constitute a significant financing component. In case of the presence of significant financing component, the guidance should have been applied retrospectively and would have resulted in restatement of prior year financial statements. Adoption of this guidance would have impacted interest income, interest expense, revenue from real estate sales, installment contracts receivable, provision for deferred income tax, deferred tax asset or liability for all years presented, and the opening balance of retained earnings. The Group has yet to assess if the mismatch constitutes a significant financing component for its contracts to sell.
 - b. The exclusion of land and uninstalled materials in the determination of POC would have reduced the percentage of completion of real estate projects. Adoption of this guidance would have reduced revenue from real estate sales, cost of sales and installment contracts receivable; increased real estate inventories and would have impacted deferred tax asset or liability and provision for deferred income tax for all years presented, and the opening balance of retained earnings.
- *IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, Borrowing Cost)*
In March 2019, IFRIC published an Agenda Decision on whether borrowing costs can be capitalized on real estate inventories that are under construction and for which the related revenue is/will be recognized over time under paragraph 35(c) of IFRS 15 (PFRS 15). IFRIC concluded that borrowing costs cannot be capitalized for such real estate inventories as they do not meet the definition of a qualifying asset under PAS 23, *Borrowing Costs*, considering that these inventories are ready for their intended sale in their current condition.

The IFRIC Agenda Decision would change the Group's current practice of capitalizing borrowing costs on real estate projects with pre-selling activities.



On February 21, 2020, the Philippine SEC issued Memorandum Circular No. 4-2020, providing relief to the Real Estate Industry by deferring the mandatory implementation of the above IFRIC Agenda Decision until December 31, 2020. Further, on December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020, which extends the relief on the application of the IFRIC Agenda Decision provided to the Real Estate Industry until December 31, 2023. Effective January 1, 2024, 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.

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 pre-selling activities should have been expensed out in the period incurred. This adjustment should have been applied retrospectively and would have resulted in restatement of prior year consolidated financial statements. Adoption of the IFRIC agenda decision would have impacted interest expense, cost of sales, provision for deferred income tax, real estate inventories, deferred tax liability and the opening balance of retained earnings. The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented. The Group has yet to decide on whether the adoption will be using a full retrospective or modified retrospective approach.

Current versus Noncurrent Classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/noncurrent classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets, including deferred tax assets, are classified as noncurrent.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities, including deferred tax liabilities, as noncurrent.



Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of placement and are subject to an insignificant risk of change in value.

Short-term Investments

Short-term investments consist of money market placements made for varying periods of more than three (3) months and up to one (1) year and earn interest at the respective short-term investment rates. Short-term investment does not qualify as cash equivalents.

Financial Instruments

Initial recognition

The Group classifies financial assets, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Except for trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15.

For a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market-place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost
- Financial assets at fair value through profit or loss
- Financial assets at fair value through OCI, where cumulative gains or losses previously recognized are reclassified to profit or loss
- Financial assets designated at fair value through OCI, where cumulative gains or losses previously recognized are not reclassified to profit or loss

Financial assets at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding



Financial assets at amortized cost are initially recognized at fair value plus directly attributable transaction costs and subsequently measured using the effective interest (EIR) method, less any impairment in value. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired. This accounting policy relates to the Group's "Cash and cash equivalents", "Short-term investments", "Receivables" (excluding other receivables), rental deposits under "Other current assets", "Due from related parties" and "Investment in bonds".

Equity instruments. The Group may also make an irrevocable election to measure at FVOCI on initial recognition investments in equity instruments that are neither held for trading nor contingent consideration recognized in a business combination in accordance with PFRS 3. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. However, the Group may transfer the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its quoted equity investments under this category.

Classification of financial liabilities

Financial liabilities are measured at amortized cost, except for the following:

- financial liabilities measured at fair value through profit or loss;
- financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the Group retains continuing involvement;
- financial guarantee contracts;
- commitments to provide a loan at a below-market interest rate; and
- contingent consideration recognized by an acquirer in accordance with PFRS 3.

As of December 31, 2022 and 2021, the financial liabilities of the Group are of the nature of financial liabilities at amortized cost (debt instrument). This accounting policy applies to the Group's "Accounts and other payables" (excluding customer's advances and statutory liabilities), "Due to related parties", "Short-term debt", "Liability from purchased land", Long-term debt", "Bonds Payable" and "Deposits for preferred shares" under non-current liabilities.

Reclassifications of Financial Instruments

The Group reclassifies its financial assets when, and only when, there is a change in the business model for managing the financial assets. Reclassifications shall be applied prospectively by the Group and any previously recognized gains, losses or interest shall not be restated. The Group does not reclassify its financial liabilities.

Impairment of Financial Assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.



ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are also recognized and interest revenue is calculated by applying the credit-adjusted EIR to the amortized cost of the financial asset.

The Group applies a simplified approach in calculating ECLs for Installment Contract Receivables (ICRs). Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. For leasing receivables, the Group has established a provision matrix that is based on its historical credit loss experience. For ICR, the Group uses a vintage analysis that is based on its historical credit loss experience. Both are further adjusted for forward-looking factors specific to the debtors and the economic environment.

For all debt financial assets other than ICRs, ECLs are recognized using the general approach wherein the Group tracks changes in credit risk and recognizes a loss allowance based on either a 12-month or lifetime ECLs at each reporting date.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis.

Exposures that have not deteriorated significantly since origination, or where the deterioration remains within the Group's investment grade criteria are considered to have a low credit risk. The provision for credit losses for these financial assets is based on a 12-month ECL. The low credit risk exemption has been applied on debt investments that meet the investment grade criteria of the Group from the time of origination.

The Group's "Cash and cash equivalents", "Short-term Investments" and "Due from related parties" are graded to be low credit risk investments based on the credit ratings of depository banks and related parties as published by Bloomberg Terminal.

Derecognition of Financial Assets and Liabilities

Financial assets

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

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



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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

A financial liability is derecognized when the obligation under the financial liability is discharged or cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing financial liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new financial liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income.

Write-off

The Group writes off a financial asset, in whole or in part, when the asset is considered uncollectible, it has exhausted all practical recovery efforts and has concluded that it has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or,
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



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

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at each reporting date.

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

Advances to Suppliers and Contractors

The Group recognizes advances to suppliers at the time payment has been made to specific suppliers and contractors for the construction of its real estate inventories. These are subsequently classified to real estate inventories when incurred.

Real Estate Inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realizable value (NRV).

Cost includes:

- Land cost
- Land improvement cost
- Borrowing cost
- Planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

NRV is the estimated selling price in the ordinary course of business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs of sale.

Real estate inventories include land held for future development. The Group has plans to construct and develop these parcels of land as a residential property for sale in the ordinary course of business. The physical construction activities have not commenced as of December 31, 2022 and 2021.

Deposits for Land

This represents deposits made to land-owners for the purchase of certain parcels of land whose ultimate use is currently undetermined. The Group normally makes deposits before a CTS or Deed of Absolute Sale (DOAS) is executed between the Group and the land-owner. These are recognized at the amounts paid to land-owners.



Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

Borrowing costs consist of interest measure using the EIR method and other costs that an entity incurs in connection with the borrowing of funds.

Where borrowings are associated with specific developments, the amount capitalized is the gross interest incurred on those borrowings less any investment income arising on their temporary investment. Interest is capitalized from the commencement of the development work until the date of practical completion. The capitalization of finance costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalized on the purchase cost of a site of property acquired specifically for redevelopment, but only where activities necessary to prepare the asset for redevelopment are in progress.

Investments in and Advances to Joint Ventures and Associate

Investments in and advances to joint ventures and associate (investee companies) are accounted for under the equity method of accounting. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

An investment is accounted for using the equity method from the day it becomes a joint venture or associate. On acquisition of investment, the excess of the cost of investment over the investor's share in the net fair value of the investee's identifiable assets, liabilities and contingent liabilities is accounted for as goodwill and included in the carrying amount of the investment and not amortized. Any excess of the investor's share of the net fair value of the investee's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment, and is instead included as income in the determination of the share in the earnings of the investees.

Under the equity method, the investments in the investee companies are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share in the net assets of the investee companies, less any impairment in values. The consolidated statement of comprehensive income reflects the share of the results of the operations of the investee companies, if there's any. The Group's share of post-acquisition movements in the investee's equity reserves is recognized directly in equity. Profits and losses resulting from transactions between the Group and the investee companies are eliminated to the extent of the interest in the investee companies and for unrealized losses to the extent that there is no evidence of impairment of the asset transferred. Dividends received are treated as a reduction of the carrying value of the investment.

Investment Properties

Initially, investment properties are measured at cost including certain transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. The fair value of investment properties is determined by independent real estate valuation experts based on the "income approach" using discounted cash flow analysis for its income generating buildings which are based on the buildings discounted future cash flows. Gains or losses



arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner's occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner's occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

For a transfer from investment property to inventories, the change in use is evidenced by commencement of development with a view to sale. When the Group decides to dispose of an investment property without development, it continues to treat the property as an investment property until it is derecognized and does not treat it as inventory. Similarly, if an entity begins to redevelop an existing investment property for continued future use as investment property, the property remains an investment property and is not reclassified as owner-occupied property during the redevelopment. For a transfer from investment property carried at fair value to inventories, the property's deemed cost for subsequent accounting shall be its fair value at the date of change in use.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and amortization and any impairment in value.

The initial cost of property and equipment consists of its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged against operations in the period in which the costs are incurred. When significant parts of property and equipment are required to be replaced in intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciation and amortization, respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation of property and equipment commences once the property and equipment are put into operational use and is computed on a straight-line basis over the estimated useful lives (EUL) of the property and equipment as follows:

	Years
Building	40
Office equipment	3 - 5
Computer equipment	3 - 5
Furniture and fixtures	3 - 5
Transportation equipment	5
Leasehold improvements	5 or lease term, whichever is shorter
Construction equipment	5
Right-of-use assets	3 - 6



The useful lives and depreciation method are reviewed at financial year end to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment. When property and equipment are retired or otherwise disposed of, the cost and the related accumulated depreciation and accumulated provision for impairment losses, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Construction in progress, included in property and equipment, is stated at cost. Depreciation is computed when the relevant asset is completed and becomes available for use in operations, at which time, the asset is reclassified to its property and equipment category.

Fully depreciated property and equipment are retained in the accounts until they are no longer in use and no further depreciation and amortization is charged against current operations.

It is the Group's policy to classify right-of-use assets as part of property and equipment.

Leases

Company as a lessee

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of office spaces (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.



Company as a lessor

Operating Lease

Leases where the Group does not transfer substantially all the risk and benefits of the ownership of the asset are classified as operating leases. Otherwise, they are classified as finance leases. Rental income from operating leases is recognized as income on a straight-line basis over the lease term.

Creditable Withholding Tax (CWT)

CWTs, which are included under “Other current assets” account in the consolidated statement of financial position, are amounts withheld from income subject to expanded withholding taxes (EWT). CWTs can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source subject to the rules on Philippine income taxation.

Impairment of Nonfinancial Assets

The Group assesses as at reporting date whether there is an indication that its nonfinancial assets (e.g., property and equipment, deposit for purchased land and investments in joint ventures and associate) may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset’s recoverable amount. An asset’s recoverable amount is calculated as the higher of the asset’s or cash-generating unit’s fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. Impairment losses are recognized in the expense categories of profit or loss consistent with the function of the impaired asset.

Deposits for Preferred Shares Subscription

Deposits for preferred share subscription represent cash received by CALC, a subsidiary, that are convertible to a fixed number of CALC’s stocks in the future. CALC’s preferred shares are considered as compound financial instruments which contain both liability and equity components. Since the preferred shares are non-redeemable and entitles the holder to a pro-rata share of assets upon liquidation, including 28 free nights to stay at the hotel, this financial instrument is classified as an equity instrument. However, the preferred shares establish a contractual right to a dividend [i.e. the net room rental revenue (NRRR)], thus, it contains a financial liability with respect to the share in the NRRR.

Prior to full payment and availability of the rooms, the Group accounts for the amounts received from the buyers of preferred shares as “Deposits for preferred shares subscription” classified as a liability under the “Other noncurrent liabilities” account, given that based on the terms of the contract, the preferred shares shall be entitled to any of the rights and benefits as stated above upon full payment of their shares and subject to the availability of the rooms. In 2022, the facility relating to the generation of NRRR was completed (Note 33).

The deposits are fully refundable until such time that the asset is complete and readily available for use. Upon full payment and availability of the rooms and when the rights indicated above vest, the amounts received from the preferred shareholders are allocated between the equity and liability components. The amount allocated to the liability is classified as “Other noncurrent liabilities” and is accounted for as financial liabilities at amortized cost.



Equity

Common stock, Preferred stock and Additional paid-in capital

The Group records common stock and preferred stock at par value and additional paid-in capital in excess of the total contributions received over the aggregate par value of the equity share. Incremental costs incurred directly attributable to the issuance of new shares are shown in equity as a deduction from proceeds, net of tax.

Retained earnings

Retained earnings represent accumulated earnings of the Group less dividends declared, if any and transition adjustments from policy changes.

Treasury shares

Treasury shares are own equity instruments which are reacquired and are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Parent Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital. Voting rights related to treasury shares are nullified for the Parent Company and no dividends are allocated to them respectively. When the shares are retired, the capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

Non-controlling interest

Non-controlling interest are recognized and measured at the proportionate share of the non-controlling interest to the net assets of the Group. When non-controlling interest is subsequently acquired, the difference between the acquisition price and the carrying value of the interest as at acquisition date is recognized as equity reserve under "Other components of equity" account in the consolidated statement of financial position.

Revenue and Cost Recognition under PFRS 15

Revenue from Contract with Customers

The Group primarily derives its real estate revenue from the sale of vertical and horizontal real estate projects. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water and electricity in its leasing units, wherein it is acting as agent.

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

Real estate sales

The Group derives its real estate revenue from sale of lots, house and lot and condominium units. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion) since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

In measuring the progress of its performance obligation over time, the Group uses the output method. The Group recognizes revenue on the basis of direct measurements of the value to customers of the goods or services transferred to date, relative to the remaining goods or services promised under the contract. Progress is measured based on the physical proportion of the real estate project's completion. This is based on the monthly project accomplishment report prepared by the third-party



project engineers which integrates the surveys of performance to date of the construction activities for both sub-contracted and those that are fulfilled by the developer itself.

Property management fee and other services

Revenue from property management and other services is recognized over time as they are rendered since the customer simultaneously receives and consumes the benefits provided by the Group's performance of its obligation. Property management fee and other services consist of revenue arising from management contracts, auction services and technical services.

Cost of real estate sales

The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets such as connection fees. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses and capitalized borrowing costs. These costs are allocated between the sold units being recognized as cost of sales and the unsold units being recognized as part of real estate inventories.

Contract costs include all direct materials and labor costs and those indirect costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed total contract revenue. Changes in contract performance, contract conditions and estimated profitability, including those arising from contract penalty provisions, and final contract settlements which may result in revisions to estimated costs and gross margins are recognized in the year in which the changes are determined.

Leasing Revenue

The Group leases its commercial real estate properties to others through operating leases. Rental income on leased properties is recognized on a straight-line basis over the lease term, or based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract. Contingent rents are recognized as revenue in the period in which they are earned.

Income from Forfeited Collections

Income from forfeited collections recorded under "Interest and other income" is recognized at a point in time when the deposits from potential buyers are deemed nonrefundable due to prescription of the period for entering into a contracted sale. Such income is also recognized, subject to the provisions of Republic Act 6552, *Realty Installment Buyer Act*, upon prescription of the period for the payment of required amortizations from defaulting buyers.

Interest Income

Interest income is recognized as it accrues, taking into account the effective yield on the asset.

Other Income

Other income consists of customer-related fees such as penalties and surcharges are recognized as they accrue, taking into account the provisions of the related contract.

Cost of Leasing

Cost of leasing pertains to direct costs of leasing the Group's commercial properties. These costs are expensed as incurred.

Cost of Services

Cost of services pertains to direct costs of property management and other services. These costs are expensed as incurred.



General and Administrative Expenses

General and administrative expenses constitute costs of administering the business and are expensed as incurred.

Contract Balances

Installment contract receivables (ICRs)

ICRs pertain to any excess of progress of work over the right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract. The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced.

Costs to Obtain Contract

The incremental costs of obtaining a contract with a customer are recognized as an asset if the Group expects to recover them. The Group has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are recorded as “Prepaid commissions” in the consolidated statement of financial position. These are charged to expense in the period in which the related revenue is recognized as earned. Commission expense is included in the “General and administrative expenses” account in the consolidated statement of comprehensive income.

Costs incurred prior to obtaining contract with customer are expensed as incurred.

Pension Cost

Pension cost is computed using the projected unit credit method. This method reflects services rendered by employees up to the date of valuation and incorporates assumptions concerning employees’ projected salaries. Actuarial valuations are conducted with sufficient regularity, with an option to accelerate when significant changes to underlying assumptions occur.

Pension cost includes current service cost, interest cost, past service cost and gains and losses, and curtailment and non-routine settlement.

The liability recognized by the Group in respect of the funded defined benefit pension plan is the present value of the defined benefit obligation at the reporting date. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using risk-free interest rates of government bonds that have terms to maturity approximating the terms of the related pension liabilities or applying a single weighted average discount rate that reflects the estimated timing and amount of benefit payments.

Remeasurements, comprising of actuarial gains or losses, the effect of the asset ceiling, excluding net interest cost and the return on plan assets (excluding net interest), are recognized immediately in the consolidated statement of financial position with a corresponding debit or credit to other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.



Income Taxes

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as of the reporting date.

Deferred tax

Deferred tax is provided using the balance sheet liability method on temporary differences, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, including asset revaluations. Deferred tax assets are recognized for all deductible temporary differences, carry forward benefit of unused tax credits from the excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT), and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences and the carry forward of unused tax credits from MCIT and unused NOLCO can be utilized. Deferred tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income.

Deferred tax liabilities are not provided on non-taxable temporary differences associated with investments in domestic subsidiaries and associate.

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

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

Value-added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable and is included as part of the "Accounts and other payables" account in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset and is included as part of the "Other current assets" and "Other noncurrent assets" accounts in the consolidated statement of financial position to the extent of the recoverable amount.

Foreign Currency Transactions

Transactions denominated in foreign currencies are initially recorded using the exchange rates prevailing at transaction dates. Foreign currency-denominated monetary assets and liabilities are retranslated using the closing exchange rates at reporting date. Exchange gains or losses arising from foreign currency transactions are credited to or charged against current operations.



Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on the Group's business segments is presented in Note 32 to the consolidated financial statements.

Earnings Per Share

Basic earnings per share (EPS) is computed by dividing net income attributable to common stockholders by the weighted average number of common shares issued and outstanding during the year and adjusted to give retroactive effect to any stock dividends declared during the period. The net income attributable to common stockholders of the Parent Company is net of dividends attributable to preferred stockholders.

Diluted EPS is computed by dividing net income attributable to common equity holders by the weighted average number of common shares issued and outstanding during the year plus the weighted average number of common shares that would be issued on conversion of all the dilutive potential common shares. The calculation of diluted EPS does not assume conversion, exercise or other issue of potential common shares that would have an antidilutive effect on earnings per share.

As of December 31, 2022, 2021 and 2020, the Group has no potentially dilutive common shares.

Events After the Reporting Date

Post year-end events up to the date of auditor's report that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the consolidated financial statements when material.

3. Significant Accounting Judgments and Estimates

The preparation of the consolidated financial statements in compliance with PFRSs requires the Group to make judgments and estimates that affect the amounts reported in the consolidated financial statements and accompanying notes. The judgments, estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the consolidated financial statements. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

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

Material partly-owned subsidiaries

The consolidated financial statements include additional information about subsidiaries that have NCI that are material to the Company (see Note 21). Management determined material partly-owned subsidiaries as those with carrying value of NCI greater than 5% of total NCI as at end of the year.



Existence of a contract

The Group's primary document for a contract with a customer is a signed CTS. It has determined, however, that in cases wherein CTS are not signed by both parties, the combination of its other signed documentation such as reservation agreement, official receipts, buyers' computation sheets and invoices, would contain all the criteria to qualify as contract with the customer under PFRS 15.

Revenue recognition method and measure of progress

The Group concluded that revenue for real estate sales is to be recognized over time because: (a) the Group's performance does not create an asset with an alternative use; and (b) the Group has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Group's ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date. In addition, the Group requires a certain percentage of buyer's payments of total selling price (buyer's equity), to be collected as one of the criteria in order to initiate revenue recognition. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Group. The Group considers that the initial and continuing investments by the buyer of about 5% would demonstrate the buyer's commitment to pay.

The Group has determined that output method used in measuring the progress of the performance obligation faithfully depicts the Group's performance in transferring control of real estate development to the customers.

Incorporation of forward-looking information

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL.

To do this, the Group has considered a range of relevant forward-looking macro-economic assumptions for the determination of unbiased general industry adjustments and any related specific industry adjustments that support the calculation of ECLs. Based on its evaluation and assessment and after taking into consideration external actual and forecast information, the Group considers a representative range of possible forecast scenarios. This process involves gathering two or more economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies, monetary authorities and selected private-sector and academic institutions.

The Group has identified and documented key drivers of credit risk and credit losses of each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

Predictive relationship between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past 5 years. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

The Group has not identified any uncertain event that it has assessed to be relevant to the risk of default occurring but where it is not able to estimate the impact on ECL due to lack of reasonable and supportable information.



Definition of default and credit-impaired financial assets

The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- *Quantitative criteria*

The borrower is more than 90 days past due on its contractual payments, i.e. principal and/or interest, which is consistent with the regulatory definition of default.

- *Qualitative criteria*

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is experiencing financial difficulty or is insolvent
- The borrower is in breach of financial covenant(s)
- An active market for that financial assets has disappeared because of financial difficulties
- Concessions have been granted by the Group, for economic or contractual reasons relating to the borrower's financial difficulty
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) throughout the Group's expected loss calculation.

An instrument is considered to be no longer in default (i.e., to have cured) when it no longer meets any of the default criteria for a consecutive period of six months as it has exhibited a satisfactory track record. This period of six months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different possible cure definitions.

Determining the incremental borrowing rate and lease term of contracts with renewal options

The Group uses its incremental borrowing rate (IBR) to measure lease liabilities because the interest rate implicit in the lease is not readily determinable. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has the right at its option, to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change



in circumstances that is within its control and affects its ability to exercise the option to renew such as a change in business strategy.

Receivable financing

The Group has entered into various receivable financing transactions with local banks to assign its ICRs. The Group has determined that it has retained substantially all the risks and rewards of ownership of these assets. Thus, the Group still retains the assigned ICRS in the consolidated financial statements and records the proceeds from these assignments as long-term debt.

Classification of deposit for preferred shares subscription

The Group determined that CALC's preferred shares under the "Other noncurrent liabilities" account are compound financial instruments, which contain both liability and equity components. However, prior to full payment and availability of the rooms through the completion of the project, the Group has determined that amounts received from the buyers of preferred shares are classified as "Deposits for preferred shares subscription" under the "Other noncurrent liabilities" account since the shareholders' rights to the 28 free nights to stay at the hotel and contractual right to dividends will inure to the shareholder only upon full payment and availability of the rooms. As of December 31, 2021, the facility is under construction representing an obligation on the part of the Group under the terms of the subscription agreements.

Total deposits for preferred shares subscriptions received presented under financial statement caption "Deposits for preferred shares subscription" amounted to ₱1,037.85 million as of December 31, 2021.

On December 15, 2022, the project was already completed, and Novotel Suites formally began its operations. Thus, the Group utilized a discounted cash flow model and used certain assumptions (including discount rate, annual average occupancy rate, performance growth rates, and a terminal value) to determine the value of the financial liability and equity component of the preferred shares. The model used (b) a pre-tax discount rate of 11.00% 2022 and (c) a growth rate of 5.00% applied beyond the 10th year projections in 2022, among others. The Group benchmarked these assumptions on similar performance drivers and industry outlook. Based on the calculation performed, the Group reclassified the equity portion amounting to ₱54.18 million to preferred shares (see Note 33).

Operating lease commitments - the Group as a lessor

Management has determined that the Group retains all significant risks and rewards of underlying assets and thus, accounts for the contracts as operating leases. The ownership of the underlying assets is not transferred to the lessee by the end of the lease term. Leasing revenue amounted to ₱1,362.47 million, ₱1,200.37 million and ₱795.03 million in 2022, 2021 and 2020, respectively.

Management's Use of Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue recognition on real estate projects

The Group's revenue recognition require management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Group's revenue from real estate and construction contracts is recognized based on POC are measured principally on the basis of the estimated completion of a physical proportion of the contract work. Apart from involving significant estimates in determining the quantity of imports such as materials, labor and equipment needed, the assessment process for the POC is complex and requires technical determination by management's specialists (third-party project engineers).



Collectability of the sales price

In determining whether the sales price is collectible, the Group considers that the initial and continuing investments by the buyer of 5% would demonstrate the buyer's commitment to pay. Based on the historical trend of cancellations of customer contracts, the management believes that 5% continues to be reasonable. The revenue arising from these sales contracts amounted to ₱9,231.48 million, ₱7,664.40 million and ₱9,482.62 million in 2022, 2021 and 2020, respectively (see Note 30).

Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognized in profit or loss except for investment properties under construction. The Group determined that the fair value of its investment properties under construction cannot yet be reliably measurable, as such these investment properties are measure at cost. Once the construction is complete or the fair value is reliably measurable, whichever comes first, the Group will measure the investment property at fair value.

For its investment properties that are complete and whose fair values are reliably measurable, the Group engages annually independent valuation specialists to determine its fair value. The appraisers used income approach for its land and buildings which are based on future cash flows available for such properties. Gain from change in fair value of investment properties amounted to ₱28.24 million, ₱225.50 million and ₱558.62 million in 2022, 2021 and 2020, respectively. The carrying value of the investment properties amounted to ₱12,394.98 million and ₱13,995.03 million as of December 31, 2022 and 2021, respectively (see Note 11).

Evaluation of impairment of financial assets

The Group uses a provision matrix to calculate ECLs for cash and cash equivalents, short-term investments, receivables other than ICRs, due from related parties, rental deposits and investment in bonds. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information such as inflation and GDP growth rates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The Group uses vintage analysis approach to calculate ECLs for ICRs. The vintage analysis accounts for expected losses by calculating the cumulative loss rates of a given loan pool. It derives the probability of default from the historical data of a homogenous portfolio that share the same origination period. The information on the number of defaults during fixed time intervals of the accounts is utilized to create the PD model. It allows the evaluation of the loan activity from its origination period until the end of the contract period.

The Group defines a financial instrument as in default when a customer is more than 90 days past due on its contractual obligations. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. An instrument is considered to be no longer in default (i.e., to have cured) when it no longer meets any of the default criteria.

The assessment of the correlation between historical observed default rates, forecast economic conditions (inflation and interest rates) and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical



credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The Group has considered the impact of COVID-19 pandemic and to the extent applicable revised its assumptions in determining macroeconomic variables and loss rates in the ECL computation. The changes in the gross carrying amounts of receivables from the sale of real estate during the year and impact of COVID-19 pandemic did not materially affect the allowance for ECLs.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

As of December 31, 2022, and 2021, the allowance for impairment losses on financial assets of the Group amounted to ₱9.70 million and ₱8.29 million, respectively (see Note 6). As of December 31, 2022, and 2021, the carrying values of these assets are as follows:

	2022	2021
Cash and cash equivalents (Note 4)	₱4,130,877,582	₱3,693,074,161
Short-term investments (Note 5)	36,786,565	1,032,513,990
Receivables* (Note 6)	9,581,162,303	9,296,575,856
Due from related parties (Note 17)	975,322,703	526,962,834
Rental deposits (Note 13)	95,958,665	110,415,828

**Excluding other receivables that are non-financial in nature amounting to ₱382.87 million and ₱372.84 million as of December 31, 2022 and 2021, respectively.*

Estimating NRV of real estate inventories

The Group reviews the NRV of real estate inventories and compares it with the cost since assets should not be carried in excess of amounts expected to be realized from sale. Real estate inventories are written down below cost when the estimated NRV is found to be lower than the cost.

NRV for completed real estate inventories is assessed with reference to market conditions and prices existing at the reporting date and is determined by the Group having taken suitable external advice and in light of recent market transactions. NRV in respect of inventory under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction less an estimate of the time value of money to the date of completion. The estimates used took into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period.

The carrying values of real estate inventories amounted to ₱17,723.40 million and ₱16,143.10 million as of December 31, 2022 and 2021, respectively (see Note 7).

Impairment of nonfinancial assets

The Group assesses impairment on its nonfinancial assets and considers the following important indicators:

- Significant changes in asset usage;
- Significant decline in assets' market value;
- Obsolescence or physical damage of an asset;
- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of usage of the acquired assets or the strategy for the Group's overall business; and
- Significant negative industry or economic trends.



If such indications are present and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the asset's fair value less cost to sell or value in use whichever is higher.

The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to be generated from the continued use of the asset. The Group is required to make estimates and assumptions that can materially affect the carrying amount of the asset being assessed.

Considering the above, the Group assessed in 2022 and 2021 that there are indicators of impairment in respect of its property that operates as a hotel in 2022 with a carrying value of ₱1,760.61 million and ₱1,707.34 million as of December 31, 2022 and 2021, respectively (see Note 12), given the current effect of the pandemic on the hospitality industry and future economic uncertainties that it brings along. Accordingly, the Group performed an impairment testing of the relevant asset as a separate cash-generating unit to determine if the carrying value of such asset is impaired as of December 31, 2022 and 2021. The Group utilized a discounted cash flow model and used certain assumptions (including discount rate, annual average occupancy rate, performance growth rates, and a terminal value) to determine the value in use. The model used (a) projected cash flows that incorporated the impact of the pandemic in 2022 and 2021, (b) a pre-tax discount rate of 11.22% and 12.01% in 2022 and 2021, respectively, and (c) a growth rate of 5% applied beyond the 10th year projections in 2022 and 2021, among others. Based on the impairment testing performed, the Group did not identify impairment of such property as of December 31, 2022 and 2021. In terms of sensitivity, an impairment loss would have resulted had the growth rate applied was about 4.10% or lower and 4.60% or lower as at December 31, 2022 and 2021, respectively.

The Group did not identify impairment indicators on the other cash generating units of the Group, mainly on the basis that as consistently observed across the industry, the Group continued to perform well in 2022 and 2021, in particular in respect of its real estate development segment which is the core business segment of the Group. The aggregate value of other nonfinancial assets (except for the hotel property), deposit for purchased land, investments in joint ventures and associate, deferred tax assets, other assets (excluding rental deposit) and receivables from employees is ₱5,491.74 million and ₱5,583.03 million as of December 31, 2022 and 2021, respectively.

No impairment was recognized for the Group's nonfinancial assets as of December 31, 2022 and 2021.

Recognition of deferred tax assets

The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces the amounts to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. Significant judgment is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and level of future taxable income together with future planning strategies. The Group assessed its projected performance in determining the sufficiency of the future taxable income. As of December 31, 2022, and 2021, the Group has unrecognized deferred tax assets amounting to ₱441.08 million and ₱280.35 million, respectively (see Note 28).

Estimating pension liabilities

The determination of the Group's pension liabilities and cost of retirement benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in the consolidated financial statements and include among others, discount rates and salary increase rates. While the Group believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in



the assumptions may materially affect the pension liabilities. The Group's pension liabilities net of its plan assets amounted to ₱231.19 million and ₱279.63 million as of December 31, 2022 and 2021, respectively (see Note 27).

4. Cash and Cash Equivalents

This account consists of:

	2022	2021	2020
Cash on hand and in banks	₱2,043,009,395	₱2,607,258,991	₱1,163,069,715
Cash equivalents	2,087,868,187	1,085,815,170	1,310,486,035
	₱4,130,877,582	₱3,693,074,161	₱2,473,555,750

Cash in banks earns interest at the prevailing bank deposit rates.

Cash equivalents are short-term, highly liquid investments that are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest at the prevailing short-term rates ranging from 0.25% to 4.60% and 0.25% to 2.125% in 2022 and 2021, respectively. Interest income on cash and cash equivalents amounted to ₱52.64 million, ₱28.69 million and ₱68.86 million in 2022, 2021 and 2020, respectively (see Note 25).

5. Short-term Investments

As of December 31, 2022 and 2021, short-term investments amounted to ₱36.79 million and ₱1,032.51 million, respectively. Short-term investments include money market placements exceeding 3 months but less than one year. Short-term investments earn at prevailing short-term interest rate ranging from 0.90% to 2.125% in 2022 and 1.50% to 2.125% in 2021. Interest income earned on short-term investments amounted to ₱0.56 million, ₱11.51 million and ₱0.19 million in 2022, 2021 and 2020, respectively (see Note 25).

6. Receivables

This account consists of:

	2022	2021
Trade receivables:		
ICR	₱8,584,320,427	₱8,449,607,463
Leasing receivable	450,320,867	351,493,631
Management fees	140,819,720	90,710,063
Receivable from employees and agents	382,869,640	372,841,856
Advances to condominium corporations	104,981,945	30,766,235
Advances to customers	119,638,563	76,985,252
Other receivables	181,080,781	297,013,212
	9,964,031,943	9,669,417,712
Allowance for estimated credit losses for management fees and other receivables	(9,704,105)	(8,288,052)
	9,954,327,838	9,661,129,660
Noncurrent portion of ICR	(109,043,517)	(366,000,813)
	₱9,845,284,321	₱9,295,128,847



ICR pertain to receivables from the sale of real estate properties. These are collectible in monthly installments over a period of one (1) to five (5) years, bear no interest and with lump sum collection upon project turnover. Titles to real estate properties are not transferred to the buyer until full payment has been made.

Details of ICRs are as follows:

	2022	2021
Gross ICR	₱10,681,177,699	₱10,978,463,658
Unamortized discount arising from noninterest-bearing ICR	(240,441,327)	(312,352,957)
	10,440,736,372	10,666,110,701
Percentage of completion adjustment	(1,856,415,945)	(2,216,503,238)
Carrying value of ICR	8,584,320,427	8,449,607,463
Non-current portion of ICR	(109,043,517)	(366,000,813)
Current portion of ICR	₱8,475,276,910	₱8,083,606,650

Unamortized discounts

These ICRs were recorded initially at fair value which is derived using the discounted cash flow model using discount rates ranging from 1.88% to 3.87% and 2.49% to 3.54% in 2022 and 2021, respectively.

Movements in the unamortized discount on ICRs follow:

	2022	2021
Balance at beginning of year	₱312,352,957	₱418,129,052
Additions	37,406,969	74,339,964
Accretion for the year	(109,318,599)	(180,116,059)
Balance at end of year	₱240,441,327	₱312,352,957

Interest income from accretion of unamortized discount on ICRs amounted to ₱109.32 million, ₱180.12 million and ₱168.37 million in 2022, 2021 and 2020, respectively.

Leasing receivables pertain to receivables arising from leasing revenue. These receivables are billed to tenants and are expected to be collected within one (1) year.

Management fees are revenues arising from property management contracts. These are collectible on a 15-day to 30-day basis depending on the terms of the management service agreement.

Receivable from employees and agents pertain salary and other loans granted to the employees and are recoverable through salary deductions. These are noninterest-bearing and are due and demandable.

Advances to condominium corporations pertain to expenses paid by the Group on behalf of the condominium corporations for various expenses incurred for the projects already turned over. These receivables are due and demandable and bear no interest.

Advances to customers pertain to expenses paid by the Group on behalf of the customers for the taxes and other costs incurred in securing the title in the name of the customers. These receivables are billed separately to the respective buyers and are expected to be collected within one (1) year.



Others, mainly consist of receivables for repairs and installation cost charge to tenants and reimbursement of regulatory payments. In 2022 and 2021, “others” included receivable from sales of investment property amounting to ₱70.05 million and ₱42.62 million, respectively.

The movements in the allowance for estimated credit losses for receivables are shown below:

	2022	2021
Balance at beginning of year	₱8,288,052	₱11,389,890
Provision, net of reversals	1,416,053	—
Write-offs	—	(3,101,838)
Balance at end of year	₱9,704,105	₱8,288,052

The allowance for estimated credit losses pertain to management fees and other receivables.

Receivable financing

The Group entered into various agreements with a local bank whereby the Group assigned its ICRs with recourse at average interest rates ranging from 6.07% to 9.50% and 5.88% to 9.50% in 2022 and 2021, respectively. The assignment agreements provide that the Group will substitute defaulted CTS with other CTS of equivalent value.

The Group retains the assigned receivables in the consolidated financial statements since the Group retains the risks and rewards related to these receivables. The Group records the proceeds from these assignments as long-term debt. The gross amount of ICRs used as collateral amounted to ₱1,303.15 million and ₱2,464.69 million as of December 31, 2022 and 2021, respectively (see Note 18).

7. Real Estate Inventories

This account consists of:

	2022	2021
Condominium units	₱11,751,816,204	₱11,826,694,359
Residential house and lots	5,192,943,484	4,064,663,593
Land held for future developments	778,637,876	251,741,116
	₱17,723,397,564	₱16,143,099,068

The roll-forward of this account follows:

	2022	2021
Balance at beginning of year	₱16,143,099,068	₱14,651,328,952
Construction costs incurred	4,028,718,661	4,547,573,952
Purchase of land	1,905,092,486	1,578,137,176
Borrowing costs capitalized (Note 18)	214,146,276	174,479,838
Transfers from investment properties (Note 11)	1,039,604,760	—
Cost of real estate sales	(5,607,263,687)	(4,808,420,850)
Balance at end of year	₱17,723,397,564	₱16,143,099,068



General and specific borrowings were used to finance the Group's ongoing real estate projects. The related borrowing costs were capitalized as part of real estate inventories. The capitalization rate used in 2022 and 2021 are 1.82% and 1.25%, respectively, for general borrowing costs.

Real estate inventories recognized as "Cost of real estate sales" amounted to ₱5,607.26 million, ₱4,808.42 million and ₱6,082.95 million in 2022, 2021 and 2020, respectively.

In 2022, CLC purchased land in Katipunan which will be developed into a condominium project to be held for sale in the future amounting to ₱526.90 million. The related advances to land-owners amounting ₱419.23 million and deposit for purchased land amounting to ₱30.16 million were applied as part of the payment for the purchase of land (see Notes 9 and 13).

In 2022, the Group's affordable segment also purchased land in Bataan intended for development of residential house and lot amounting to ₱1,378.12 million.

In 2021, PPHI purchased land in Batangas intended for development of residential house and lot amounting to ₱1,578.14 million.

The carrying values of real estate inventories mortgaged for trust receipts payables and bank loans amounted to ₱1,281.94 million and ₱1,163.09 million as of December 31, 2022 and 2021, respectively (see Note 18).

8. Advances to Suppliers and Contractors

Advances to suppliers and contractors amounting to ₱1,749.97 million and ₱2,426.74 million as of December 31, 2022 and 2021, respectively, are capitalized as part of real estate inventories when the materials have been delivered or services have been rendered by the suppliers and contractors, respectively. These advances are intended for the construction of the Group's real estate inventories.

9. Deposits for Purchased Land

This account consists of refundable deposits made to property owners for the acquisition of parcels of land in which the use is currently undetermined. Deposits for purchased land amounted to ₱1,409.48 million and ₱1,358.81 million as of December 31, 2022 and 2021, respectively.

In 2022, the Group made additional deposits to property owners for the acquisitions of parcels of land located in Novaliches amounting to ₱80.83 million.

In 2022, the Group purchased land in Katipunan which will be developed into a condominium project to be held for sale in the future. The related deposit for the purchased land for the property, amounting to ₱30.16 million, was applied as part of the payment for the purchase of land (see Note 7).

In 2021, the Group made additional deposits to property owners for the acquisitions of parcels of land located in Novaliches amounting to ₱15.52 million net of return of deposits in land located in Quezon City amounting to ₱10.95 million.



10. Investments in and Advances to Joint Ventures and Associate

The Group's investments in joint ventures and associate are shown below:

	2022	2021
Joint ventures:		
A2Global, Inc. (A2 Global)	₱—	₱3,055,000
One Pacstar Realty Corporation (One Pacstar)	222,562,484	213,461,684
Two Pacstar Realty Corporation (Two Pacstar)	44,804,720	49,987,820
Associate:		
Asian Breast Center (ABC)	7,999,900	7,999,900
	₱275,367,104	₱274,504,404
Acquisition cost	₱404,033,094	₱404,033,094
Accumulated equity in net losses		
Balance at beginning of year	(129,528,690)	(138,472,890)
Share in net earnings	3,917,700	8,944,200
Balance at end of year	(125,610,990)	(129,528,690)
Allowance for impairment loss	3,055,000	—
	₱275,367,104	₱274,504,404

Investment in A2Global

In 2013, the Parent Company entered into an agreement with Asian Carmakers Corporation and other individuals which aim to create an entity with the primary purpose to develop, own and manage properties of all kinds and nature and to develop them into economic and tourism zones, golf course, theme parks and all other forms of leisure estates.

On February 26, 2013, the Parent Company acquired 122,200 shares in A2Global with acquisition price of ₱3.06 million, for a 48.88% ownership. A2Global has six (6) directors, three (3) from the Parent Company and three (3) from Asian Carmakers Corp. A2 Global's principal place of business is 5th Floor, Pacific Star Building, Gil Puyat Avenue corner Makati Avenue, Makati City.

According to its by-laws, most of the major business decisions of A2Global shall require the majority decision of its BOD. Because the BOD is equally represented, the arrangement is considered a joint venture and is measured using the equity method.

In 2022, the BOD of A2 Global approved the commencement of its liquidation, consequently the Group has written off its investments amounting to ₱3.06 million.

Investments in One Pacstar Realty Corporation and Two Pacstar Realty Corporation

On October 22, 2014, CLC entered into an agreement with La Costa Development Corporation, Inc. (La Costa) to take out the loan of La Costa with Union Bank of the Philippines in its name and for its sole account. For and in consideration of the loan take out, La Costa transferred, ceded, and conveyed 196,250 shares of One Pacstar and 42,250 shares of Two Pacstar.

Provisions in the agreement grant CLC to vote using the owned shares in the meetings of the stockholders of One Pacstar and Two Pacstar. The Group currently owns 50% of the total voting shares with the remaining 50% owned by La Costa for both One Pacstar and Two Pacstar. This resulted in the two companies having joint control over One Pacstar and Two. The primary purpose



of One Pacstar and Two Pacstar is to acquire, own, lease, and manage lands and all other kinds of real estate properties.

One Pacstar and Two Pacstar's principal place of business is 5th Floor, Pacific Star Building, High Rise Tower, Gil Puyat cor. Makati Avenue, Makati City.

Following are the significant financial information of the joint ventures as of December 31, 2022 and 2021 and for the years then ended (in millions):

	2022	2021
Total assets	₱864	₱852
Total current liabilities	302	300
Total revenue	12	24
Total expenses	2	2

The Group recognized share in net earnings of the joint ventures amounting to ₱3.92 million, ₱8.94 million and ₱6.79 million in 2022, 2021 and 2020, respectively.

Investment in Asian Breast Center, Inc. (ABC)

On January 7, 2016, the Group acquired 79,999 shares in ABC with an acquisition price of ₱8.00 million, for a 16.00% ownership. ABC has five (5) directors, one from the Group and four from ABC. Because the Group only has significant influence, this arrangement is considered as an investment in associate and is measured using the equity method.

The primary purpose of ABC is to provide comprehensive ambulatory care for women afflicted with any form of breast disease, including prevention, early detection, early diagnosis, and treatment. ABC's principal place of business is 8th Floor, Centuria Medical Makati, Kalayaan Avenue, Makati City. As of December 31, 2022 and 2021, ABC is still in its pre-operating stage.

The Group has not incurred any contingent liabilities as at December 31, 2022 and 2021 in relation to its interest in the joint ventures and associate, nor do the joint ventures and associate themselves have any contingent liabilities for which the Group is contingently liable. The Group has not entered into any capital commitments in relation to its interest in the joint ventures and associate and did not receive any dividends from the joint ventures and associate.

11. Investment Properties

The Group's investment properties are classified as follows:

	2022	2021
Land	₱5,061,961,969	₱5,061,961,969
Building	7,333,018,041	7,893,569,468
Construction-in-progress	–	1,039,499,917
	₱12,394,980,010	₱13,995,031,354



Movements in this account are as follows:

	2022	2021
Cost:		
Balance at beginning of year	₱9,962,422,883	₱9,9783,127,031
Construction costs incurred	13,448,339	248,757,808
Borrowing cost capitalized (Note 18)	–	20,247,969
Sale of property	(22,256,511)	(89,709,925)
Transfer to property and equipment (Note 12)	(556,820,321)	–
Transfer to real estate inventories (Note 7)	(1,053,053,101)	–
Balance at end of year	8,343,741,289	9,962,422,883
Change in fair value:		
Balance at beginning of year	4,032,608,471	3,844,455,351
Sale of property	(9,615,488)	(37,342,500)
Gain from change in fair value of investment property	28,245,738	225,495,620
Balance at end of year	4,051,238,721	4,032,608,471
	₱12,394,980,010	₱13,995,031,354

Construction-in-progress pertains to properties being constructed that are intended to be leased out. The property was completed in 2022.

In 2022, 2021 and 2020, the Group sold portion of its medical office at a loss amounting to ₱0.82 million, ₱34.13 million and ₱12.98 million, respectively (see Note 25). Due to the change in the intended use of the properties and the opening of the hotel facilities, the Group made certain transfers from investment properties to real estate inventories and property and equipment amounting to ₱1,053.05 million and ₱556.82 million, respectively.

The Group recorded gain on fair value of investment properties amounting to ₱28.25 million, ₱225.50 million and ₱558.62 million in 2022, 2021 and 2020, respectively.

Investment properties are stated at fair value, which has been determined based on valuations performed by Cuervo Appraisers, Inc., an accredited independent valuer, as of December 31, 2022 and 2021. Cuervo Appraisers, Inc. is an industry specialist in valuing these types of investment properties.

For the Group's leasing properties, the Group adopted the discounted cash flow analysis which considers the future cash flows from lease contracts.

The fair value of the investment properties classified as buildings and land in the consolidated financial statements is categorized within level 3 of the fair value hierarchy.



The key assumptions used to determine the fair value of the investment properties and sensitivity analyses are as follows:

Property	Valuation technique	Significant unobservable inputs	Range	
			2022	2021
Land and Buildings	DCF	Discount rates for similar lease contracts, market rent levels, expected vacancy and expected maintenance.	Discount rate - 11.26 % to 12.48%	Discount rate - 11.13 % to 11.61%
			Market rent levels - ₱400 to ₱1,500/sqm per month	Market rent levels - ₱400 to ₱1,500/sqm per month
			Expected vacancy - 5% to 45%;	Expected vacancy - 5% to 45%;
			Expected maintenance - 2% to 10% of gross revenue	Expected maintenance - 2% to 10% of gross revenue

For DCF, the higher the market rent levels, the higher the fair value. Also, the lower the expected vacancy, maintenance and discount rate, the higher the fair value.

In 2022, 2021 and 2020, the Group recognized leasing revenue from the use of the said real properties amounting to ₱1,362.47 million, ₱1,200.36 million and ₱795.03 million, respectively, and incurred direct cost of leasing amounting to ₱440.82 million, ₱352.04 million and ₱226.53 million, respectively, in relation to these investment properties.

The carrying values of investment properties mortgaged for trust receipts payables and bank loans amounted to ₱8,415.78 million and ₱5,507.65 million as of December 31, 2022 and 2021, respectively (see Note 18).



12. Property and Equipment

The composition and movements of this account are as follows:

	2022									
	Office Equipment	Computer Equipment	Furniture and Fixtures	Transportation Equipment	Leasehold Improvements	Construction Equipment	Construction - in -Progress	Building	Right-of-use Assets	Total
Cost										
At January 1	₱64,143,594	₱82,755,061	₱32,234,848	₱64,588,284	₱80,459,530	₱251,492,426	₱1,707,342,137	₱–	₱87,865,463	₱2,370,881,343
Additions	11,595,328	21,247,002	–	1,165,179	37,970,527	–	88,247,097	–	–	160,225,133
Transfer from Investment Property (Note 11)	–	–	–	–	–	–	556,820,321	–	–	556,820,321
Transfer to Building							(2,352,409,555)	2,352,409,555	–	–
At December 31	75,738,922	104,002,063	32,234,848	65,753,463	118,430,057	251,492,426	–	2,352,409,555	87,865,463	3,087,926,797
Accumulated Depreciation										
At January 1	54,970,429	54,126,355	31,778,592	57,800,457	71,753,066	251,492,426	–	–	33,123,849	555,045,174
Depreciation	1,656,841	12,433,837	456,256	1,273,544	6,853,180	–	–	–	25,892,500	48,566,158
At December 31	56,627,270	66,560,192	32,234,848	59,074,001	78,606,246	251,492,426	–	–	59,016,349	603,611,332
Net Book Values at December 31	₱19,111,652	₱37,441,871	₱–	₱6,679,462	₱39,823,811	₱–	₱–	₱2,352,409,555	₱28,849,114	₱2,484,315,465

	2021									
	Office Equipment	Computer Equipment	Furniture and Fixtures	Transportation Equipment	Leasehold Improvements	Construction Equipment	Construction - in -Progress	Right-of-use Assets	Total	
Cost										
At January 1	₱77,714,432	₱65,239,942	₱30,907,181	₱62,155,114	₱78,023,604	₱251,492,426	₱1,705,550,923	₱11,572,605	₱2,282,656,227	
Additions	1,420,568	17,860,972	1,327,667	2,433,170	2,435,926	–	3,071,214	76,292,858	104,842,375	
Disposals	(14,991,406)	(345,853)	–	–	–	–	(1,280,000)	–	(16,617,259)	
At December 31	64,143,594	82,755,061	32,234,848	64,588,284	80,459,530	251,492,426	1,707,342,137	87,865,463	2,370,881,343	
Accumulated Depreciation										
At January 1	52,130,244	41,391,311	28,524,273	53,174,139	67,044,938	251,492,426	–	5,304,110	499,061,441	
Depreciation	6,997,835	13,049,194	3,254,319	4,626,318	4,708,128	–	–	27,819,739	60,455,533	
Disposals	(4,157,650)	(314,150)	–	–	–	–	–	–	(4,471,800)	
At December 31	54,970,429	54,126,355	31,778,592	57,800,457	71,753,066	251,492,426	–	33,123,849	555,045,174	
Net Book Values at December 31	₱9,173,165	₱28,628,706	₱456,256	₱6,787,827	₱8,706,464	₱–	₱1,707,342,137	₱54,741,614	₱1,815,836,169	



Construction-in-progress pertains to the cost incurred by the Group for the construction of Novotel Suites Manila at Acqua 6 Tower and The Pebble (four-storey waterfront clubhouse) of Acqua Private Residences. As of December 31, 2021, the total cost of these facilities amounted to ₱1,707.34 million. On December 15, 2022, the construction of the properties was completed and Novotel Suites Manila also formally began its operations. As of December 31, 2022, the total cost of Novotel Suites and The Pebble transferred from construction-in-progress to building amounted to ₱1,760.61 million and ₱591.80 million, respectively.

The depreciation and amortization of property and equipment in 2022, 2021 and 2020 are recognized as follows:

	2022	2021	2020
General, administrative and selling expenses (see Note 22)	₱48,566,158	₱60,455,533	₱53,885,599

13. Other Assets

This account consists of:

	2022	2021
Current:		
Prepaid commissions	₱823,634,164	₱1,061,361,532
Creditable withholding taxes	360,268,502	364,769,290
Input taxes	374,339,654	389,040,814
Prepaid expenses	60,422,350	20,166,817
Others	23,378,298	60,123,867
	₱1,642,042,968	₱1,895,462,320
Noncurrent:		
Prepaid commissions	₱397,465,932	₱362,839,010
Advances to land-owners	259,024,174	669,234,205
Input taxes	55,864,797	68,380,114
Rental deposits (Note 29)	95,958,665	110,415,828
Creditable withholding taxes	243,553,449	364,473,855
Intangible assets	42,342,033	49,769,338
Deferred financing costs	—	13,825,625
Others	26,815,299	17,637,444
	₱1,121,024,349	₱1,656,575,419

Prepaid commissions pertain to capitalized commission expenses payable to its agents on the sale of its real estate projects related to contracts that have qualified for revenue recognition. These will be recognized as commission expense under “General, administrative and selling expenses” in the period in which the related real estate sales are recognized. This also includes prepayments to Century Integrated Sales, Inc. (CISI) for future services of CISI in relation to managing the Group’s sales activities which amounted to ₱123.31 million and ₱475.56 million as of December 31, 2022 and 2021, respectively (see Note 17).

Input taxes are fully realizable and will be applied against output VAT.



Creditable withholding taxes are attributable to taxes withheld by third parties arising from real estate sale, property management fees and leasing revenues.

In 2022 and 2021, based on forecasted tax payable position as well as its output tax liability position the Group classified its creditable withholding taxes amounting to ₱243.55 million and ₱364.47 million, and input taxes amounting to ₱55.86 million and ₱68.38 million, respectively, as noncurrent assets.

Advances to land-owners includes advances made by CLC for the purchase of land which will be developed into a condominium project to be held for sale in the future. As of December 31, 2021 advances amounted ₱419.23 million. In 2022, CLC executed the deed of sale of the land and the title was also transferred to the Company. The advances were applied as part of the payment for the purchase of land (see Note 7).

It also represents the minimum share of the lot property owners in relation to the profit-sharing agreement of CDLC with land-owners. In accordance with the profit-sharing agreement, CDLC advanced this share in significant installments throughout the term of the project. The advances shall be deducted from the proceeds of the sales and collection of the land-owners' units. As of December 31, 2022, advances amounted to ₱259.03 million.

Rental deposits mostly pertain to security deposits held and applied in relation to the Group's lease contracts for its administrative and sales offices. The deposits are noninterest-bearing and are recoverable through application of rentals at the end of the lease term (see Note 29).

Intangible assets include software costs and trademarks. Software cost includes application software and intellectual property licenses owned by the Group. Trademarks are licenses acquired separately by the Group. These licenses arising from the Group's marketing activities have been granted for a minimum of 10 years by the relevant government agency with the option to renew at the end of the period at little or no cost to the Group. Previous licenses acquired have been renewed and enabled the Group to determine that these assets have an indefinite useful life. The related amortization is charged to expense as "Depreciation and amortization" in the "General, administrative and selling expenses" account amounting to ₱7.42 million, ₱7.12 million and ₱5.58 million in 2022, 2021 and 2020, respectively (see Note 22). Additions to software amounted to nil and ₱22.46 million in 2022 and 2021, respectively.

14. Investment in Bonds

On July 10, 2019, the Group purchased Philippine Peso-denominated, fixed rate bonds amounting to ₱463.75 million. 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. Investment in bonds matured in January 2021.

In 2020, interest income from investment in bonds amounted to ₱25.85 million (see Note 25).



15. Accounts and Other Payables

This account consists of:

	2022	2021
Accounts payable	₱1,932,462,937	₱3,115,244,079
Accrued expenses		
Commissions	450,024,271	245,992,063
Salaries	306,878,946	140,477,848
Taxes	85,133,881	95,862,039
Interest	50,998,859	95,157,313
Others	95,121,839	178,834,299
Customers' advances	1,651,799,539	944,663,230
Retention payable	307,624,517	288,623,847
Dividends payable	52,980,641	52,980,641
Other payables	61,667,478	93,264,930
	₱4,994,692,908	₱5,251,100,289

Accounts payable are attributable to the construction costs incurred by the Group. These are noninterest-bearing and with terms of 15 to 90 days.

Customers' advances pertain to funding from buyers of real estate for future application against transfer and registration fees and other taxes to be incurred upon transfer of properties to the buyer.

Retention payable are noninterest-bearing and are normally settled on a 30-day term upon completion of the relevant contracts.

Others under "Accrued expenses" consist mainly of utilities, marketing costs, professional fees, communication, transportation and travel, security, insurance, taxes and representation.

16. Contract Liabilities

Contract liabilities consist of collections from real estate customers which have not qualified for revenue recognition and excess of collections over the recognized receivables based on percentage of completion. As of December 31, 2022 and 2021, carrying values of contract liabilities amounted to ₱2,769.10 million and ₱3,048.61 million, respectively.

The amount of revenue recognized from amounts included in contract liabilities at the beginning of the year amounted to ₱1,134.79 million and ₱939.83 million in 2022 and 2021, respectively.

17. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.



Terms and Conditions of Transactions with Related Parties

The Group in their regular conduct of business has entered 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 at normal market prices. Outstanding balances at year-end are unsecured and noninterest-bearing. There have been no guarantees provided or received for any related party receivables or payables. Related party transactions are settled in cash.

The Group has material related party transactions policies containing the approval requirements and limits on amounts and extent of related party transactions in compliance with the requirements under the Revised SRC Rule 68 and SEC Memorandum Circular 10, series of 2019.

The Group has an approval requirement such that material related party transactions shall be reviewed by the Related Party Transactions Committee (the Committee) and endorsed to the BOD for approval. Material related party transactions are those transactions that meet the threshold value as approved by the Committee amounting to ₱50.0 million and other requirements as may be recommended by the Committee.

The related party transactions are shown under the following accounts in the consolidated financial statements:

Due from Related Parties

	Amount of transaction				Terms and Conditions
	2022	2021	2022	2021	
Ultimate Parent	₱270,437,913	₱214,713,736	₱55,724,177	₱46,471,965	
Officers and stockholders	223,177,152	192,262,658	30,914,494	36,803,225	
Under common control					
CISI	450,659,309	88,799,649	361,859,660	(21,754,163)	Noninterest bearing, due and demandable, unsecured, no impairment
CGIC	77,093	50,982	26,111	26,024	
CRIT	10,821	24,193	(13,372)	24,193	
Entity managed by a related party					
CAC	30,960,415	17,709,269	13,251,147	—	
Centuria Pharma	—	13,402,347	(13,402,348)	968,728	
	₱975,322,703	₱526,962,834	₱448,359,869	₱62,539,972	

Due to Related Parties

	Amount of transaction				Terms and Conditions
	2022	2021	2022	2021	
Ultimate Parent	₱237,284,750	₱241,346,727	₱1,581,435	₱45,915,948	Noninterest bearing, due and demandable, unsecured
CGIC	456,360	—	456,360	—	
Officers and stockholders	120,319,516	76,012,007	38,664,097	₱1,436,764	
	₱358,060,626	₱317,358,734	₱40,701,892	₱47,352,712	



The related party transactions that are eliminated during consolidation follow:

Due from Related Parties

	Amount of transaction				Terms and Conditions
	2022	2021	2022	2021	
Parent Company					
CPGI	₱9,064,111,278	₱10,446,086,135	(₱1,381,974,857)	₱1,436,814,332	Noninterest bearing, due and demandable, unsecured, no impairment
Subsidiaries:					
CLC	627,336,705	522,170,492	105,166,213	(512,473,711)	
PPHI	251,778,440	71,478,085	180,300,355	(61,034,925)	
CCDC	5,860,822,133	3,396,543,208	2,464,278,925	(1,617,589,156)	
CPMI	28,887,209	17,234,737	11,652,472	10,179,531	
	₱15,832,935,765	₱14,453,512,657	₱1,379,423,108	(₱744,103,929)	

Due to Related Parties

	Amount of transaction				Terms and Conditions
	2022	2021	2022	2021	
Parent Company					
CPGI	₱587,172,368	₱53,990,079	₱533,182,289	(₱55,541,472)	Noninterest bearing, due and demandable, unsecured
Subsidiaries:					
CLC	7,312,572,120	7,101,820,406	210,751,714	(796,677,917)	
PPHI	5,110,917	4,248,151	862,766	(82,891,738)	
CCDC	6,440,626,413	5,909,009,273	531,617,140	798,790,605	
CCC	1,211,347,545	1,132,671,380	78,676,165	(573,199,597)	
CPMI	22,295,605	1,987,315	20,308,290	(30,712,348)	
CDLC	253,810,797	249,786,053	4,024,744	(3,871,462)	
	₱15,832,935,765	₱14,453,512,657	₱1,379,423,108	(₱744,103,929)	

Significant transactions of the Group with related parties are described below:

Due from related parties pertains to advances provided by the Group to the stockholders and other affiliates.

Due to related parties pertains to advances made by the Group for its capital expenditures. These are generally noninterest bearing and are due and demandable.

Management agreement

In 2018, the Group contracted CISI to manage all of its sales and marketing activities. CISI is a wholly owned subsidiary of CPI. Prepayments to CISI for initial marketing services recognized under "Other current assets" account as of December 31, 2022 and 2021 amounted to ₱123.31 million and ₱475.56 million, respectively (see Note 13).



Key management compensation

The key management personnel of the Group include all directors, executive, and senior management. The details of compensation and benefits of key management personnel in 2022, 2021 and 2020 follow:

	2022	2021	2020
Short-term employee benefits	₱108,663,515	₱94,490,013	₱135,178,047
Post-employment benefits (see Note 27)	5,433,247	4,724,563	5,735,247
	₱114,096,762	₱99,214,576	₱140,913,294

18. Short-term and Long-term Debts

Short-term Debt

The roll-forward of the Group's short-term debt follows:

	2022			2021		
	Trust receipts	Bank loans	Total	Trust receipts	Bank loans	Total
Beginning balance	₱468,360,083	₱—	₱468,360,083	₱496,648,735	₱315,300,000	₱811,948,735
Availments	658,904,094	—	658,904,094	686,009,738	—	686,009,738
Repayments	(892,122,867)	—	(892,122,867)	(714,298,390)	(315,300,000)	(1,029,598,390)
Ending balance	₱235,141,310	₱—	₱235,141,310	₱468,360,083	₱—	₱468,360,083

Trust receipts

Trust receipts (TRs) are facilities obtained from various banks to finance purchases of construction materials the Group's projects. The TRs have average interest rates ranging from 5.72% to 6.62% and 5.75% to 6.25% in 2022 and 2021, respectively. These are paid monthly or quarterly in arrears with full payment of principal balance at maturity of one year and with an option to prepay.

Bank loans

Bank loans pertain to the various short-term promissory note (PN) obtained by the Group.

On July 25, 2019, the Group availed of a peso-denominated short-term PN facility with CBC amounting up to ₱1,000.00 million to be issued in multiple tranches. The facility has a term a term of twelve (12) months with interest payable quarterly. In 2019, the Group availed of ₱890.00 million of the total facility, with interest rate of 5.91%. In 2021, repayments related to short-term PNs with CBC amounted to ₱315.30 million.

Long-term Debt

As of December 31, 2022 and 2021, this account consists of:

	2022	2021
Long-term debt:		
Bank loans	₱9,012,998,322	₱8,943,661,794
Payable under CTS financing	1,992,662,424	2,891,444,012
Car loan financing	654,796	3,501,544
	11,006,315,542	11,838,607,350
Less current portion	2,192,453,618	5,467,828,327
Noncurrent portion	₱8,813,861,924	₱6,370,779,023



The roll-forward of the Group's long-term debt is as follows:

	2022			
	Bank Loans	CTS Financing	Car Loan Financing	Total
Principal:				
Balances at beginning of year	₱9,031,728,633	₱2,891,444,012	₱3,501,544	₱11,926,674,189
Addition	5,298,744,131	818,702,217	—	6,117,446,348
Payments	(5,256,534,339)	(1,717,483,805)	(2,846,748)	(6,976,864,892)
Balances at end of year	9,073,938,425	1,992,662,424	654,796	11,067,255,645
Deferred financing costs:				
Balances at beginning of year	88,066,839	—	—	88,066,839
Addition	46,897,795	—	—	46,897,795
Amortization	(74,024,531)	—	—	(74,024,531)
Balances at end of year	60,940,103	—	—	60,940,103
Carrying values	₱9,012,998,322	₱1,992,662,424	₱654,796	₱11,006,315,542

	2021			
	Bank Loans	CTS Financing	Car Loan Financing	Total
Principal:				
Balances at beginning of year	₱10,608,561,928	₱4,351,402,524	₱9,295,145	₱14,969,259,597
Addition	1,737,937,211	941,373,586	—	2,679,310,797
Payments	(3,314,770,506)	(2,401,332,098)	(5,793,601)	(5,721,896,205)
Balances at end of year	9,031,728,633	2,891,444,012	3,501,544	11,926,674,189
Deferred financing costs:				
Balances at beginning of year	113,083,932	—	—	113,083,932
Addition	22,743,202	—	—	22,743,202
Amortization	(47,760,295)	—	—	(47,760,295)
Balances at end of year	88,066,839	—	—	88,066,839
Carrying values	₱8,943,661,794	₱2,891,444,012	₱3,501,544	₱11,838,607,350

Bank Loans

In 2022, the Group availed a five-year loan agreement from PNB amounting to ₱4,000.00 million, ₱3,500.00 million of which was drawn on August 26, 2022 with a interest of 6.56% fixed for 2 years with an option to reprice over 90 days as agreed by the parties. While the ₱500.00 million balance was drawn on October 6, 2022 with a interest of 7.39% fixed for 2 years with an option to reprice over 90 days as agreed by the parties. As of December 31, 2022, the outstanding balance of the loan amounted to ₱3,982.50 million.

In May 2021, the Group entered into a four-year loan agreement amounting to ₱450.00 million with a local bank to finance land development and house construction of its project. The loan bears interest of 4.65% per annum and payable on a quarterly basis amortization. First interest payment will be made on August 17, 2021. The principal is payable on a quarterly basis after a two-year grace period. As of December 31, 2022 and December 31, 2021, the outstanding balance of the loan amounted to ₱274.94 million and ₱376.11 million.

In July 2021, the Group availed of another four-year loan agreement amounting to ₱470.00 million with BPI to finance land development and house construction of its project. The loan bears interest of 5.25% per annum and payable on a monthly basis amortization. First interest payment will be made on August 2021. The principal is payable on a quarterly basis to commence at the start of October 2022. As of December 31, 2022 and December 31, 2021, the outstanding balance of the loan amounted to ₱293.33 million and ₱470.00 million, respectively.

In January and March 2022, the Company availed of another four-year loan agreement amounting to ₱94 million and ₱211.81 million, respectively, with another local bank with the same purpose, which is, to finance land development and house construction of its project. The loan bears interest of 5.71% and 6.62% per annum, which is payable on a monthly basis. First interest payments were made in



February 2022 and April 2022, respectively. The principal is payable on a quarterly basis to commence at the start of 5th quarter. As of December 31, 2022, the outstanding balance of the loan amounted to ₱236.71 million.

In December 2022, the Company availed of another four-year loan agreement amounting to ₱500.00 million with another local bank with the same purpose, which is, to finance land development and house construction of its project. The loan bears interest of 8.50% per annum and payable on a quarterly basis. First interest payment was made on March 16, 2023. The principal is payable on a quarterly basis to commence at the start of 9th quarter. As of December 31, 2022, the outstanding balance of the loan amounted to ₱500.00 million.

On July 10, 2020, the Group availed of a five-year term loan facility from China Banking Corporation (CBC) amounting to ₱1,600.00 million, with principal payments due quarterly with an interest of 5.13% per annum. As of December 31, 2021, the outstanding balance of the loan amounted to ₱1,408.00 million, which was fully paid by the Group during 2022.

On August 24 and September 2, 2020, the Group entered into a two-year term loan agreement with CBC amounting to ₱1,400.00 million and ₱1,000.00 million, respectively. The loan has principal payments due quarterly with an interest of 4.85% per annum. As of December 31, 2021, the outstanding balance of the loan amounted to ₱2,208.65 million, which was fully paid by the Group during 2022.

In 2020 and 2019, the Group availed additional loan from DBP amounting to ₱450.00 million and ₱581.00 million, respectively, with interest ranging from 3.599% to 5.655% and 6.692% to 6.702% per annum, respectively. The principal amount which has maturities ranging from two (2) to four (4) years will be used to fund ongoing development of its projects and for additional working capital. In 2021, the Group paid the outstanding balance of the loan amounting to ₱1,065.00 million.

In 2019, the Group availed the remaining undrawn balance of its loan facility from Amalgamated Investment Bancorporation (AIB) amounting to ₱148.90 million, which is payable in two years with interest of 8.50% per annum and availed another bank loan with AIB amounting to ₱100.00 million with interest of 7.97% per annum. The total principal amount of this loan amounting to ₱592.94 million was paid in May and October 2022.

On September 27, 2022, the Group availed additional loan from its AIB loan facility amounting to ₱492.94 million, payable quarterly with interest of 8.00% per annum. As of December 31, 2022, the outstanding balance of this loan amounted to ₱392.94 million.

In 2019, the Group obtained a five-year term loan from UCPB amounting to ₱1,000.00 million, which is payable quarterly with interest of 8.42% per annum. As of December 31, 2022 and December 31, 2021, the outstanding balance of this loan amounted to ₱541.02 million and ₱703.52 million, respectively.

In 2019, the Group refinanced its five-year term loan from BDO amounting to ₱4,200.00 million. The ₱3,500.00 million was availed on September 17, 2019, with interest of 6.31% per annum payable semi-annually, while the remaining was ₱700.00 million was availed on October 28, 2019 with a fixed interest of 6.07% fixed for 92 days with an option to reprice over 30-180 days as agreed by the parties. As of December 31, 2022 and December 31, 2021, the outstanding balance of the Group's term loan amounted to ₱2,852.5 million and ₱3,272.5 million, respectively.

In 2018, the Group obtained a term loan facility from China Banking Savings amounting to ₱500.00 million, with principal payments due quarterly with an interest of 6% per annum. In 2021, the Group paid the outstanding balance amounting to ₱425.18 million.



CTS financing

CTS financing pertains to loan facilities which were used in the construction of the Group's real estate development projects. The related PNs have terms ranging from twelve (12) to forty-eight (48) months and are secured by the buyer's post-dated checks, the corresponding CTS, and parcels of land held by the Parent Company. The Group retained the assigned ICRs and recorded the proceeds from these assignments as "Long-term debt". These CTS loans bear fixed interest rates ranging from 6.07% to 9.50% as December 31, 2022 and December 31, 2021, respectively.

Security and Debt Covenants

Certain bilateral, trust receipts, payables under CTS financing and bank loans have mortgaged real estate inventories and assigned ICRs and contract assets wherein such assets can no longer be allowed to be separately used as collateral for another credit facility, grant loans to directors, officers and partners, and act as guarantor or surety in favor of banks. As of December 31, 2022 and 2021, the carrying values of these assets mortgaged for trust receipts, payables under CTS financing and bank loans are as follows:

	2022	2021
Real estate inventories	₱1,281,943,917	₱1,163,089,592
ICR	1,303,147,610	2,464,691,627
Investment properties	8,415,779,604	5,507,646,038

Certain bilateral loans have covenants to maintain a debt-to-equity ratio of not more than 2.33x and a debt service coverage ratio of at least 1.5x and current ratio of 1.2x. Debt includes note payables, short term and long-term debt. The bank loans have a covenant, specific to the projects it is financing, of having loan to security value of no more than 50% to 60%. Security value includes, among other things, valuation appraisal by independent appraisers and takes into account the sold and unsold sales and market value of the properties. The loan agreements require submission of the valuation of each mortgage properties on an annual basis or upon request of the facility agent. As of December 31, 2022 and 2021, the Company complied with the provisions of its debt covenants.

Under the term loan agreement with CBC, the Parent Company pledged its shares over CCDC II amounting to ₱1,900.00 million. The Pledged Shares include the following:

- the Acquisition Shares, including the Directors' Shares, and the After Acquired Shares and all the rights, title and interest of any kind or character therein, together with all accessory contracts in relation thereto;
- all rights, benefits, dividends, loss proceeds, indemnities, insurance payments, and other payments received by or due to the Security Grantor in lieu of, or inherent to, or in connection with, the Pledged Shares; and
- all Property of every nature and description whether now owned or hereafter acquired as proceeds for, in exchange for, in substitution of, or replacement of any of the Pledged Shares.

Borrowing Costs

- Borrowing cost capitalized amounted to ₱214.15 million and ₱194.73 million for the years ended December 31, 2022 and December 31, 2021, respectively (see Notes 7 and 11).

Interest Expense and Other Finance Charges

- Interest and other financing charges for the short-term and long-term debts for the years ended December 31, 2022, 2021 and 2020 totaled to ₱399.02 million, ₱386.31 million and ₱487.88 million, respectively (see Note 26).



19. Liabilities from Purchased Land

This account pertains to the outstanding payable of the Group for the cost of land purchases recognized under “Real estate inventories” as follows:

	2022	2021
Current	₱67,200,000	₱67,200,000
Noncurrent	63,782,533	141,145,286

20. Bonds Payable

This account consists of the following:

	2022	2021
Three-year bond	₱3,000,000,000	₱6,000,000,000
Five-year bond	3,000,000,000	—
	6,000,000,000	6,000,000,000
Less: Unamortized transaction costs	(82,746,077)	(52,804,571)
	5,917,253,923	5,947,195,429
Less: Current portion	—	(2,992,055,358)
Non-current portion	₱5,917,253,923	₱2,955,140,071

On March 17, 2023, the Group’s second tranche offer of fixed rate retail bonds consisting of up to Two Billion Pesos (P2,000,000,000.00) with an Over-subscription Option of up to One Billion Pesos (P1,000,000,000.00) have been listed at the Philippine Dealing & Exchange Corp. (PDEX).

On February 11, 2022, the Securities and Exchange Commission approved the application of the Parent Company’s Shelf Registration of Debt Securities in the aggregate amount of Six Billion Pesos (₱6,000,000,000) to be offered within a period of 3 years or such period as Securities and Exchange Commission may allow at an Issue Price of 100% of Face Value. The First Tranche of the Fixed Rate Retail Bonds is Two Billion Pesos (₱2,000,000,000) with an Oversubscription Option of up to One Billion Pesos (₱1,000,000,000) Five (5)-Year Fixed Retail Bonds due 2027.

On February 24, 2022, the Parent Company listed at the PDEX its five-year bonds, with interest rates of 5.7524% p.a. The bonds are rated “AA” by Credit Rating and Investor Services Philippines Inc. (CRISP).

On December 14, 2020, the Board approved the Parent Company’s application of public offering of unsecured fixed-rate peso denominated retail bonds in amount of Two Billion Pesos (₱2,000,000,000) with an Oversubscription Option of up to One Billion Pesos (₱1,000,000,000).

On February 10, 2021, the Securities and Exchange Commission approved the Parent Company’s application of public offering of unsecured fixed-rate peso denominated retail bonds in amount of Two Billion Pesos (₱2,000,000,000) with an Oversubscription Option of up to One Billion Pesos (₱1,000,000,000). On March 1, 2021, the Parent Company listed at the PDEX its three-year bonds, with interest rates of 4.8467% p.a.

On April 15, 2019, CPGI listed at the PDEX its three-year bonds, with interest rates of 7.8203% p.a. The ₱3.00 billion proceeds of the bonds will be used to partially finance development costs for CPGI’s affordable housing and townhome projects. The bonds are rated “AA” by Credit Rating and



Investor Services Philippines Inc. (CRISP). As of December 31, 2022, the three-year bonds amounting to ₱3.00 billion was paid in full.

As of December 31, 2021, the seven-year bond payable amounting to ₱119.11 million was paid in full.

Interest Expense and Other Finance Charges

Interest and other financing charges from bonds payable in 2022, 2021 and 2020 amounted to ₱392.13 million, ₱404.00 million and ₱291.48 million, respectively (see Note 26).

21. Equity

Earnings per share

Basic earnings per share amounts attributable to equity holders of the Parent Company in 2022, 2021 and 2020 are as follows:

	2022	2021	2020
Net income attributable to the owners of the Parent Company	₱901,290,468	₱950,750,431	₱795,555,466
Dividends to preferred shares	201,531,000	201,531,000	201,531,000
	699,759,468	749,219,431	594,024,466
Weighted average number of shares	11,599,600,690	11,599,600,690	11,599,600,690
Basic earnings per share	₱0.060	₱0.065	₱0.051

Earnings per share are calculated using the consolidated net income attributable to the equity holders of Parent Company less dividend declared to preferred shares divided by the weighted average number of shares. The Group has no potentially dilutive ordinary shares as of December 31, 2022, 2021 and 2020.

Common shares

The Group's authorized capital stock and issued and subscribed shares amounted to 15,000.00 million shares and 11,699.72 million shares, respectively as of December 31, 2022 and 2021. There are no movements in the Group's authorized, issued and subscribed shares in 2022, 2021 and 2020.

The following summarizes the Group's record of registration of securities under the Revised Securities Regulation Code:

On February 09, 2000, the Parent Company was listed with the Philippine Stock Exchange with a total of 3,554.72 million common shares, issued, paid and outstanding. The offering of the shares was at ₱1.00 per share.

On November 11, 2014, the Philippine Stock Exchange, Inc. approved the application of the Group to list additional 730.32 million common shares, with a par value of ₱0.53 per share, to cover the Group's 20.62% stock dividend declaration to stockholders of record as of October 27, 2014 which was paid on November 14, 2014.

On August 30, 2019, the Group's BOD authorized and approved the amendment of the stockholders' resolution dated September 29, 2017, specifically: (a) change in the par value of the proposed reclassified 3.00 billion Preferred Shares from ₱1.00 to ₱0.53 per share and (b) no increase in the authorized capital stock of the Parent Company, together with the consequent amendment of article



nine of the amended articles of incorporation of the Parent Company. The amendment was approved by the SEC in January 2020.

As of December 31, 2022 and 2021, the Parent Company had 496 stockholders with at least one board lot at the PSE, for a total of 11,599,600,690 (₱0.53 par value) issued and outstanding common shares.

Preferred stock

On January 10, 2020, the Parent Company listed at the main board of the PSE its maiden follow-on offering of preferred stock under the trading symbol “CPGP”. These preferred shares are cumulative, non-voting, non-participating and redeemable at the option of the Parent Company. The Parent Company offered 20 million preferred stock at ₱100.00 each with an oversubscription option of up to 10 million preferred stock on December 16, 2019 to January 3, 2020, after the SEC issued an order rendering the Registration Statement that was filed on October 19, 2019 effective and a corresponding permit to offer the securities for sale. The initial dividend rate was set at 6.7177% per annum. The dividends on the preferred stock shall be paid quarterly, every January 10, April 10, July 10, and October 10 of each year.

The 30,000,000 preferred stock with a par value of ₱0.53 were fully subscribed totaling ₱15.90 million. Additional paid-in capital from preferred stock amounted ₱2,984.10 million and issuance cost totaled ₱99.06 million resulting in a net additional paid-in capital ₱2,885.03 million. Total cash received from issuance of preferred shares amounted to ₱2,910.77 million

Treasury shares

On January 7, 2013, the BOD of the Parent Company approved a share buyback program for those shareholders who opt to divest of their shareholdings in the Parent Company. A total of ₱800.00 million worth of shares were up for buyback for a time period of up to 24 months. In 2014 and 2013, a total of 85.68 million shares and 14.44 million shares were reacquired at a total cost of ₱87.15 million and ₱22.52 million, respectively.

As of December 31, 2022 and 2021, treasury shares amounted to ₱109.67 million consisting of 100.12 million shares.

Retained earnings

Retained earnings include the accumulated equity in undistributed net earnings of consolidated subsidiaries amounting to ₱10,404.43 million and ₱9,704.67 million as of December 31, 2022 and 2021, respectively.

The subsidiaries' retained earnings available for dividend declaration, after reconciling items, amounted to ₱6,353.19 million and ₱5,672.06 million as of December 31, 2022 and 2021, respectively. Reconciling items include non-cash income from accumulated gains from fair value of investment property amounting ₱4,051.24 million and ₱4,032.61 million, as of December 31, 2022 and 2021, respectively (see Note 11).

Retained earnings are further restricted for the payment of dividends to the extent of the cost of treasury shares.

These amounts are not available for dividend declaration until these are declared by the subsidiaries.



Cash dividend declaration

On December 6, 2022, the BOD approved the declaration of cash dividends for the preferred shares with dividend rate of 6.7177% amounting to ₱50.38 million for shares of record January 5, 2023 with payment date on January 10, 2023. On January 10, 2023, all dividend declared were paid.

On August 11, 2022, the BOD approved the declaration of cash dividends for the preferred shares with dividend rate of 6.7177% amounting to ₱50.38 million for shares of record October 5, 2022 with payment date on October 10, 2022.

On May 26, 2022, the BOD approved the declaration of cash dividends for the preferred shares with dividend rate of 6.7177% amounting to ₱50.38 million for shares of record July 6, 2022 with payment date on July 11, 2022.

On February 4, 2022, the BOD approved the declaration of cash dividends for the preferred shares with dividend rate of 6.7177% amounting to ₱50.38 million for shares of record April 6, 2022 with payment date on April 11, 2022.

On July 21, 2021, the BOD approved the declaration of ₱0.0050 per share cash amounting to ₱114.92 million for the common shares for distribution to the stockholders of the Parent Company of record as of August 6, 2021 with payment date on August 18, 2021, and of record as of October 7, 2021 with payment date on October 18, 2021. On December 31, 2021, all dividends declared were paid.

On November 29, 2021, the BOD approved the declaration of cash dividends for the preferred shares with dividend rate of 6.7177% amounting to ₱50.38 million for shares of record January 5, 2022 with payment date on January 10, 2022. As of December 31, 2021, the dividends declared remained unpaid.

On December 22, 2020, the BOD approved the declaration of cash dividends for the preferred shares with dividend rate of 6.7177% amounting to ₱201.53 million for shares of record January 5, 2021 with payment date on January 11, 2021, shares of record date April 6, 2021 with payment date on April 12, 2021, shares of record date July 6, 2021 with payment date on July 12, 2021 and shares of record date October 6, 2021 with payment date on October 11, 2021.

On August 26, 2020, the BOD approved the declaration of ₱0.0063 per share cash amounting to ₱147.85 million for the common stock for distribution to the stockholders of the Parent Company of record September 10, 2020 and November 6, 2020. On September 18, 2020 and November 18, 2020, dividends amounting to ₱146.03 million were paid.

On July 1, 2020, the BOD approved the declaration of cash dividends for the preferred shares with dividend rate of 6.7177% amounting to ₱100.77 million for shares of record July 8, 2020 with payment date on July 10, 2020, and of record date October 6, 2020 with payment date on October 12, 2020.

On March 20, 2020, the BOD approved the declaration of cash dividends for the preferred shares with dividend rate of 6.7177% amounting to ₱50.38 million with payment date on April 13, 2020.

Total unpaid dividends amounted to ₱52.96 million and ₱52.98 million as of December 31, 2022 and December 31, 2021, respectively (see Note 15).



Non-controlling interest

On December 15, 2022, CALC recognized the equity portion of its deposit for preferred shares subscription. This resulted to increase in non-controlling interest amounting to ₱54.18 million (see Note 33).

On June 29, 2022, Tanza Properties I, Inc (TP1) approved the declaration of ₱159.44 per share cash dividends amounting to ₱70.00 million. This resulted to a decrease in non-controlling interest amounting to ₱28.00 million. The dividends were paid on June 30, 2022.

On June 29, 2022, Tanza Properties I, Inc (TP2) approved the declaration of ₱657.14 per share cash dividends amounting to ₱230.00 million. This resulted to a decrease in non-controlling interest amounting to ₱92.00 million. The dividends were paid on June 30, 2022.

On June 29, 2022, Tanza Properties I, Inc (TP3) approved the declaration of ₱666.67 per share cash dividends amounting to ₱200.00 million. This resulted to a decrease in non-controlling interest amounting to ₱80.00 million. The dividends were paid on June 30, 2022.

In 2022, PPHI issued additional 354 million common shares with a par value of ₱1.00 and 96,000 preferred shares with ₱1,000.00 par value per share to CPGI. At the same time, PPHI also issued 254 million common shares with a par value of ₱1.00 and 64,000 preferred shares with ₱1,000.00 par value per share to Mitsubishi Corporation (MC). which resulted into an aggregate increase in the non-controlling interest amounting to ₱320.00 million.

On September 21, 2021, TP2 approved the declaration of ₱1,142.86 per share cash dividends amounting to ₱400.00 million. This resulted to a decrease in non-controlling interest amounting to ₱160.00 million. The dividends were paid on September 30, 2021.

On March 26, 2021, PPHI approved the declaration of ₱223.10 per share cash dividends to its Preferred A shareholders amounting to ₱80.65 million. The dividends were paid on May 26, 2021. The Parent Company holds the Preferred A shares, thus, was eliminated in the consolidated financial statements.

In 2021, PPHI issued additional ₱240 million common shares with a par value of ₱1.00 and 60,000 preferred shares with ₱1,000.00 par value to CPGI and ₱160 million common share with a par value of ₱1.00 and 40,000 preferred shares with a par value ₱1,000.00 to MC, which resulted into an aggregate increase in the non-controlling interest amounting to ₱200.00 million.

Other components of equity

Other components of equity mainly pertain to the equity reserve recognized between the consideration paid by MC and the carrying value of the net assets of TPI I, TPI II, TPI III and Century City Development Corp II (CCDC II) given up amounting to ₱104.49 million as of December 31, 2020. In 2020, CPGI acquired the total outstanding shares held by MC in one of its subsidiaries, CCDC II. The difference between the acquisition price and the value of the NCI as of August 24, 2020 amounting to ₱782.24 million was charged against the Group's equity reserve. This also includes the remeasurement loss on equity instruments at FVOCI amounting to ₱5.45 million as of December 31, 2022 and December 31, 2021.



The financial information of subsidiaries that have material non-controlling interests is provided below.

Summarized statements of financial position (in millions):

	TPI I		TPI II		TPI III		PPHI	
	2022	2021	2022	2021	2022	2021	2022	2021
Current assets	₱457.27	₱597.20	₱469.61	₱716.25	₱595.92	₱543.10	₱11,035.03	₱7,210.89
Noncurrent assets	0.41	1.43	0.30	1.12	0.64	1.32	139.38	68.40
Current liabilities	(150.98)	(177.57)	(307.75)	(305.30)	(325.37)	(323.00)	(4,568.41)	(3,218.97)
Noncurrent liabilities	(29.59)	(36.82)	(91.39)	(105.33)	(74.43)	(48.38)	(1,756.01)	(938.73)
Total equity	₱277.11	₱384.24	₱70.78	₱306.74	₱196.76	₱173.04	₱4,849.99	₱3,121.59
Attributable to:								
Equity holders of the Parent Company	₱162.17	₱226.44	₱42.02	₱186.09	₱119.41	₱105.17	₱2,817.41	₱1,840.03
Non-controlling interest	114.95	157.79	28.76	120.65	77.35	67.87	2,032.58	1,281.56
Total equity	₱277.11	₱384.23	₱70.78	₱306.74	₱196.76	₱173.04	₱4,849.99	₱3,121.59

Summarized statements of comprehensive income (in millions):

	TPI I		TPI II		TPI III		PPHI	
	2022	2021	2022	2021	2022	2021	2022	2021
Revenue	₱—	₱41.20	₱78.30	₱502.98	₱396.46	₱295.81	₱5,159.94	₱3,068.05
Cost of real estate sales and services	—	(4.05)	(56.89)	(232.58)	(133.45)	(182.06)	(2,722.76)	(1,660.34)
General and administrative expenses	(36.65)	(12.45)	(36.49)	(71.01)	(53.83)	(39.24)	(1,143.77)	(922.74)
Operating income (loss)	(36.65)	24.70	(15.08)	199.39	209.18	74.51	1,293.42	484.97
Other income	4.77	18.46	24.95	16.98	24.00	12.88	55.62	16.15
Provision for income tax	(5.24)	(4.95)	(15.84)	(5.54)	(9.46)	(3.51)	(137.19)	(38.15)
Other comprehensive income	—	—	—	—	—	—	4.52	0.49
Total comprehensive income (loss)	(₱37.12)	₱38.21	(₱ 5.96)	₱210.83	₱223.71	₱83.88	₱1,216.36	₱463.46



	TPI I		TPI II		TPI III		PPHI	
	2022	2021	2022	2021	2022	2021	2022	2021
Total comprehensive income attributable to:								
Equity holders of the Parent Company	(P22.27)	P22.93	(P3.58)	P126.50	P134.23	P50.33	P729.82	P278.08
Non-controlling interests	(14.85)	15.28	(2.39)	84.33	89.48	33.35	486.55	185.38
	(P37.12)	P38.21	(P5.96)	P210.83	P223.71	P83.68	P1,216.36	P463.46



Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong and healthy consolidated statement of financial position to support its current business operations and drive its expansion and growth in the future.

The Group undertakes to establish the appropriate capital structure for each business line, to allow it sufficient financial flexibility, while providing it sufficient cushion to absorb cyclical industry risks.

The Group considers debt as a stable source of funding. The Group attempts to continually lengthen the maturity profile of its debt portfolio and makes it a goal to spread out its debt maturities by not having a significant percentage of its total debt maturing in a single year.

The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. It monitors capital using leverage ratios on both a gross debt and net debt basis. The Group is subject to externally imposed capital requirements from its bank loans which it has complied with as of December 31, 2022 and 2021 (see Note 18).

Equity, which the Group considers as capital, pertains to the equity attributable to equity holders of the Parent Company excluding other components of equity and remeasurement loss on defined benefit plan, amounting to a total of ₱22,145.96 million and ₱21,446.20 million as of December 31, 2022 and 2021, respectively.

No changes were made in the objectives, policies or processes for managing capital in 2022 and 2021.

22. General, Administrative and Selling Expenses

This account consists of:

	2022	2021	2020
Commission	₱845,591,110	₱924,998,420	₱838,230,807
Salaries, wages and employee benefits (Note 23)	592,879,006	614,621,880	673,729,980
Marketing and promotions	465,055,490	245,220,749	447,335,070
Taxes and licenses	217,473,794	164,630,953	325,487,131
Representation expenses	110,273,064	81,764,952	25,964,987
Professional fees	67,866,450	80,609,304	74,976,338
Outside services	60,709,483	99,797,650	47,783,997
Depreciation and amortization (Notes 12 and 13)	55,993,463	67,580,015	59,467,026
Rent	53,766,339	77,059,448	26,343,133
Supplies	39,177,477	39,167,645	29,883,987
Repairs and maintenance	26,031,567	6,579,135	55,283,417
Transportation and travel	20,143,613	13,993,785	7,115,365
Communication	14,567,022	18,035,120	11,827,687
Utilities	14,066,531	15,876,394	57,996,893
Miscellaneous	187,503,987	242,969,618	182,287,881
	₱2,771,098,396	₱2,692,905,068	₱2,863,713,699

Miscellaneous pertains mainly to research development, sponsorships, recruitment fess, software maintenance and insurance.



23. Personnel Cost

This account consists of salaries, wages and employee benefits as follows:

	2022	2021	2020
General, administrative and selling expenses (Note 22)	₱592,879,006	₱614,621,880	₱673,729,980
Cost of services	268,345,792	272,728,398	285,985,555
	₱861,224,798	₱887,350,278	₱959,715,535

The breakdown of salaries, wages and employee benefits is as follows:

	2022	2021	2020
Salaries and wages	₱698,187,701	₱719,613,208	₱765,421,425
Retirement expense (Note 27)	47,016,562	50,112,456	53,846,232
Other employee benefits	116,020,535	117,624,614	140,447,878
	₱861,224,798	₱887,350,278	₱959,715,535

24. Property Management Fee and Other Services

Property management fee pertains mostly to facilities management and consultancy fees of condominium corporations, corporate facilities and prior projects of the Group, which have been turned over to the respective buyers.

Other services pertain to technical services such as plan evaluation, consultation and project management.

Total property management fee and other services recognized amounted to ₱423.37 million, ₱400.01 million and ₱389.72 million in 2022, 2021 and 2020, respectively (see Note 31). Direct cost of services incurred amounted to ₱268.35 million, ₱272.73 million and ₱285.99 million in 2022, 2021 and 2020, respectively, in relation to property management.

25. Interest Income and Others

This account consists of:

	2022	2021	2020
Income from forfeited collections	₱209,167,039	₱143,758,491	₱329,453,236
Interest income from deposits and short-term investments (Notes 4 and 5)	53,205,768	40,202,395	69,047,970
Loss on sale of investment property (Note 11)	(815,953)	(34,128,752)	(12,978,992)
Interest income from investment in bonds (Note 14)	—	—	25,854,063
Other income	207,718,501	247,718,019	455,436,520
	₱469,275,355	₱397,550,153	₱568,068,169



Income from forfeited collections pertains to forfeited collections from reservation fees whose allowable period of completion has prescribed and terminated sales contracts.

Other income mainly consists of the penalties and other surcharges billed against defaulted installments from sales contracts. Real estate buyers are normally charged a penalty of 3.00% of the monthly installment for every month in arrears from the time the specific installment becomes due and payable.

26. Interest and Other Financing Charges

Details of this account follow (see Notes 18, 20 and 29):

	2022	2021	2020
Interest expense from:			
Bonds payable	₱392,134,510	₱404,004,678	₱291,481,126
Short-term and long-term debts	399,019,655	386,312,590	487,881,213
Lease liabilities	4,829,999	4,829,999	4,659,965
Other financing charges	121,905,353	99,444,808	163,486,863
	₱917,889,517	₱894,592,075	₱947,509,167

Other financing charges mostly include charges from interbank transfers other banking service fees and amortization of deferred transaction costs.

27. Pension Costs

The Group has a funded, noncontributory, defined benefit pension plan covering substantially all of its regular employees. The benefits are based on the projected retirement benefit of 22.5 days pay per year of service in accordance with Republic Act 7641, *The Retirement Pay Law*. The benefits are based on current salaries and years of service and compensation on the last year of employment. An independent actuary conducts an actuarial valuation of the retirement benefit obligation using the projected unit credit method.

The components of retirement expense included under “Salaries, wages and employee benefits” under general, administrative and selling expenses follow (see Note 22):

	2022	2021	2020
Current service cost	₱32,078,230	₱35,256,299	₱37,426,041
Net interest cost on benefit obligation	14,938,332	14,856,157	16,420,191
Retirement expense	₱47,016,562	₱50,112,456	₱53,846,232



Changes in the fair value of the plan assets (FVPA) and the present value of the retirement obligation (PVRO) are as follows as of December 31, 2022 and 2021:

	2022	2021
FVPA:		
Balance at January 1	₱7,217,095	₱7,155,877
Interest income	373,846	283,373
Remeasurement loss from changes in financial assumptions	(430,251)	(222,155)
Balance at December 31	7,160,690	7,217,095
PVRO:		
Balance at January 1	286,847,043	380,141,084
Transfer from the Parent Company	5,524,177	—
Current service cost	32,078,230	35,256,299
Interest cost	15,312,178	15,139,530
Benefits paid	(15,025,874)	(31,313,494)
Actuarial gain from changes in:		
Financial assumptions	(54,307,393)	(26,015,405)
Experience and demographic assumptions	(32,081,203)	(86,360,971)
Balance at December 31	238,347,158	286,847,043
Net liability arising from retirement obligation	₱231,186,468	₱279,629,948

The plan assets as of December 31, 2022 and 2021 pertain solely to bank deposits. The Group does not expect to contribute to its retirement fund in 2022.

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumptions on the defined benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant.

December 31, 2022		
	Increase (decrease)	Effect on DBO
Discount rate	1.0%	(₱21,670,865)
Discount rate	(1.0%)	25,665,185
Rate of salary increase	1.0%	25,867,276
Rate of salary increase	(1.0%)	(22,197,467)
December 31, 2021		
	Increase (decrease)	Effect on DBO
Discount rate	1.0%	(₱30,058,690)
Discount rate	(1.0%)	36,150,340
Rate of salary increase	1.0%	35,650,737
Rate of salary increase	(1.0%)	(30,229,762)

The assumptions used to determine pension benefits for the Group in 2022 and 2021 are as follows:

	2022	2021
Discount rate	7.26%-7.41%	5.11%-5.22%
Salary increase rate	3.50%-6.00%	3.50%-6.00%



Shown below is the maturity analysis of the undiscounted benefit payments:

Year ending	Amount
December 31, 2023	₱58,057,778
December 31, 2024	7,897,283
December 31, 2025	6,428,350
December 31, 2026	8,363,779
December 31, 2027	7,304,104
December 31, 2027 through December 31, 2031	169,961,192

28. Income Taxes

The provision for income tax consists of:

	2022	2021	2020
Current:			
RCIT/MCIT	₱347,774,418	₱57,320,573	₱171,229,503
Final	10,641,154	4,799,436	17,792,996
	358,415,572	62,120,009	189,022,499
Deferred	(139,441,803)	(271,819,873)	226,348,233
	₱218,973,769	(₱209,699,864)	₱415,370,732

Current tax

Provision for current tax pertains to final tax and RCIT/MCIT.

Income tax includes RCIT at the rate of 25% in 2022 and 2021, and 30% in 2020. MCIT is at the rate of 1% in 2022 and 2022, and 2% in 2020, and final taxes paid is at the rate of 20%, which is a final withholding tax on gross interest income from debt instruments and other deposit substitutes.

The components of the Group's deferred tax assets and deferred tax liabilities are as follows:

	2022	2021
Recognized in the consolidated statements of comprehensive income:		
Deferred tax assets on:		
Accrued retirement costs	₱55,370,591	₱45,331,120
Advance rentals	7,209,604	15,002,119
Provisions for impairment losses	2,426,026	2,072,013
NOLCO	1,002,337	63,215,082
MCIT	—	30,106,804
	66,008,558	155,727,138
Deferred tax liabilities on:		
Fair value gains on investment properties	(1,012,809,680)	(1,008,152,118)
Effect of difference in accounting and tax base on real estate sales (see Note 2)	(911,958,879)	(1,151,291,921)
Prepaid commissions	(305,275,024)	(332,292,239)
Effect of difference in accounting and tax base on investment properties	(293,180,478)	(262,649,124)

(Forward)



	2022	2021
Unamortized deferred financing costs	(P35,921,545)	(P38,578,149)
Others	(8,482,013)	(8,482,013)
	(2,567,627,619)	(2,801,445,564)
Recognized directly in equity:		
Deferred tax asset on re-measurement loss on retirement obligation	(7,321,339)	24,576,367
	(P2,508,940,400)	(P2,621,142,059)

The above deferred tax assets and liabilities are presented in the consolidated statements of financial position as follows:

	2022	2021
Deferred tax assets – net	P33,204,518	P26,764,445
Deferred tax liabilities – net	2,542,144,918	2,647,906,504

As of December 31, 2022, carryover NOLCO that can be claimed as deduction from future taxable income is as follows:

Year Incurred	Amount	Used/Expired	Balance	Expiry Year
2019	P149,625,999	(P149,625,999)	P–	2022
2020	470,848,536	–	470,848,536	2025
2021	727,674,762	(99,224,980)	628,449,782	2026
2022	654,733,261	–	654,733,261	2027
	P2,002,882,558	(P248,850,979)	P1,754,031,579	

As of December 31, 2022, MCIT that can be used as deductions against income tax liabilities are as follows:

Year	Amount	Used/Expired	Balance	Expiry Year
2020	P16,069,422	(P16,069,422)	P–	2025
2021	20,567,503	(17,311,425)	3,256,078	2026
2022	317,771	–	317,771	2027
	P36,954,696	(P33,380,847)	P3,573,849	

Unrecognized deferred tax assets

The Group has NOLCO and MCIT that are available for offset against future taxable income or tax payable for which deferred tax assets have not been recognized. Unrecognized deferred tax assets on NOLCO and MCIT amounted to P437.51 million and P3.57 million, respectively, as of December 31, 2022 and P273.82 million and P6.53 million, respectively, as of December 31, 2021.



Statutory reconciliation

The reconciliation of the provision for income tax computed at statutory income tax rate to the provision for income tax shown in profit or loss follows:

	2022	2021	2020
Provision for income tax computed at statutory rate	₱405,933,210	₱264,851,571	₱469,381,430
Adjustments for:			
Nondeductible interest and other expenses	444,746,328	489,979,641	33,296,810
Change in unrecognized deferred tax assets	147,613,893	200,807,087	59,284,238
Expired NOLCO	37,406,500	—	50,724,201
Expired/Use MCIT	33,380,847	21,481,945	5,314,166
Final tax	10,641,154	4,799,435	17,735,542
Adjustment from CREATE law	—	(465,858,931)	—
Income under income tax holiday	(807,542,395)	(612,468,294)	(110,002,111)
Non-taxable interest and other income	(53,205,768)	(113,292,318)	(110,363,544)
Provision for income tax	₱218,973,769	(₱209,699,864)	₱415,370,732

Corporate Recovery and Tax Incentives for Enterprises (CREATE) Bill

On March 26, 2021, the CREATE Bill was signed into law by the Philippine President. General provisions of the CREATE bill include the following:

- Domestic corporations with total assets of 100.00 million and below
 - With taxable income of 5.00 million and below - 20% RCIT
 - With taxable income of more than 5.00 million - 25% RCIT
- Domestic corporations with total assets of more than 100.00 million - 25% RCIT
- Reduction of MCIT from 2% to 1% for a period of three years (effective July 1, 2020 until June 30, 2023).

In 2021, the reduction in RCIT and MCIT rates from 30% to 25% and 2% to 1%, respectively has reduced the current tax expense of the Group by ₱27.92 million. Also, the reduction in rates decreased deferred tax expense by ₱55.65 million and deferred tax assets by ₱437.94 million in 2021.

29. Lease Contracts

Group as lessee

The Group has lease contracts for various office spaces with lease terms of two (2) to three (3) years. Rental due is based on prevailing market conditions. As of December 31, 2022 and 2021, the Group has rental deposits pertaining to these lease contracts amounting to ₱95.96 million and ₱110.42 million, respectively (see Note 13).



The rollforward of lease liability is as follows:

	December 31, 2022	December 31, 2021
Balance at beginning of year	₱57,139,963	₱4,525,605
Additions	–	76,292,858
Accretion for the year (Note 26)	4,829,999	4,829,999
Payments	(34,237,772)	(28,508,499)
Balance at end of year	27,732,190	57,139,963
Less current portion	15,434,671	25,543,296
Noncurrent portion	₱12,297,519	₱31,596,667

Payments for principal and interest on lease liability are presented under financing activities while payments for interest on lease liability are presented under operating activities. The Group has paid ₱29.41 million, ₱23.68 million and ₱17.09 million related to principal portion of lease liabilities in 2022, 2021 and 2020, respectively. Total interest on lease liabilities paid amounted to ₱4.83 million, ₱4.83 million and ₱4.66 million in 2022, 2021 and 2020, respectively.

The following are the amounts recognized in consolidated statements of comprehensive income:

	2022	2021	2020
Depreciation expense of right-of-use assets included in property and equipment	₱25,892,500	₱27,819,739	₱18,849,731
Interest expense on lease liabilities	4,829,999	4,829,999	4,659,965
Expenses relating to short-term leases (included in general, selling and administrative expenses) (Note 22)	53,766,339	77,059,448	26,343,133
Leasing revenues	1,362,474,800	1,200,366,601	795,034,245
Gain on pre-termination of lease contracts	–	–	(5,798,312)
Total amount recognized in the consolidated statements of comprehensive income	₱1,446,963,638	₱1,310,075,787	₱839,088,762

The movements of ROU assets during 2022 and 2021 are as follows:

	2022	2021
Balance at beginning of year	₱54,741,614	₱6,268,495
Additions (Note 12)	–	76,292,858
Amortization expense (Note 12)	(25,892,500)	(27,819,739)
Balance at end of year	₱28,849,114	₱54,741,614

Shown below is the maturity analysis of the future undiscounted lease payments as of December 31, 2022 and 2021:

	2022	2021
Within one year	₱15,434,671	₱24,974,930
After one year but not more than three years	12,297,519	42,310,892

Group as lessor

The Group is a lessor of its commercial units in its retail mall, hospital, office and commercial spaces. The leases have terms ranging from one (1) year to (10) years, with renewal options. Monthly rent payment is computed using a fixed rate per square meter and variable rent based on percentage of sales of the tenants for the year. Leasing revenue recognized amounted to ₱1,362.47 million, ₱1,200.36 million and ₱795.03 million in 2022, 2021 and 2020, respectively.



Advance Deposits and Refundable Deposits

Refundable deposits pertain to utilities and meter deposits, and security deposits collected from tenants which are refundable at the end of the lease contracts. The Group received refundable deposits and security deposits classified as “Other current liabilities” amounting to ₱61.34 million and ₱107.38 million and “Other noncurrent liabilities” amounting to ₱769.13 million and ₱741.34 million as of December 31, 2022 and December 31, 2021, respectively (Note 33).

Deferred Lease Income

Deferred lease income is amortized over the lease term on a straight-line basis and which amortization is recorded as part of “Leasing revenue” in the statements of comprehensive income. The carrying value of the deferred lease income presented under financial statement caption “Other current liabilities” amounted to ₱6.81 million and ₱2.17 million and “Other noncurrent liabilities” amounted to ₱68.15 million and ₱134.93 million as of December 31, 2022 and December 31, 2021, respectively (Note 33).

Future minimum rentals receivable under operating leases are as follows:

	2022	2021
Within one year	₱956,958,326	₱1,097,511,888
After one year but not more than three years	3,700,646,343	3,457,162,448

30. Financial Instruments

Fair Value Information

The table below presents the carrying amounts and fair values of the Group’s financial assets and financial liabilities:

	December 31, 2022		December 31, 2021	
	Carrying Value	Fair value	Carrying Value	Fair Value
Financial assets				
ICR	₱8,584,320,427	₱8,824,761,754	₱8,449,607,463	₱8,450,753,265
Rental deposits	95,958,665	98,910,252	110,415,828	123,647,709
	₱8,680,279,092	₱8,923,672,006	₱8,560,023,291	₱8,574,400,974
Financial liabilities				
Long-term debt	₱11,006,315,542	₱11,067,255,646	₱11,838,607,350	₱11,926,674,189
Bonds payable	5,917,253,923	6,000,000,000	5,947,195,429	6,000,000,000
Liability from purchased land	130,982,533	134,836,069	208,345,286	213,552,918
Security deposits	830,474,255	856,018,766	848,720,233	763,320,500
	₱17,885,026,253	₱18,058,110,481	₱18,842,868,298	₱18,903,547,607

Fair Value of Financial Instruments

The methods and assumptions used by the Group in estimating the fair values of the financial instruments are as follows:

Financial assets

Cash and cash equivalents, receivables (excluding ICRs), due from related parties, marginal deposit accounts and other payables, due to related parties and short-term debt

Carrying amounts approximate fair values due to the short-term maturities of these instruments.



ICRs

Fair value is based on undiscounted value of future cash flows using the prevailing interest rates for similar types of receivables as of the reporting date using the remaining terms of maturity. Discount rates ranging from 8.12% to 9.23% were used in calculating the fair value as of December 31, 2022 and 2021.

Rental deposits and investment in bonds

The fair values of rental deposits and investment in bonds are based on the discounted value of future cash flows using the applicable market interest rates. Discount rates ranging from 5.21% to 6.24% 4.5% to 5.02% were used in calculating the fair value of the Group's rental deposits as of December 31, 2022 and 2021, respectively.

Long-term debt, bonds payable, liability from purchased land and, security deposits

The fair values are estimated using the discounted cash flow method using the Group's current incremental borrowing rates for similar borrowings with maturities consistent with those remaining for the liability being valued. The discount rates used for long-term debt ranged from 1.55% to 2.82% and 1.65% to 2.67% as of December 31, 2022 and 2021, respectively. The discount rates used for the bonds payable ranged from 4.05% to 4.83% and 4.19% to 5.00% as of December 31, 2022 and 2021, respectively. The discount rates used for the liability from purchased land ranged from 1.55% to 2.82% and 1.65% to 2.67% as of December 31, 2022 and 2021, respectively.

The discount rates used for refundable deposits ranged from 4.25% to 5.01% and 4.97% to 5.04% as of December 31, 2022 and 2021, respectively. The discount rates used for the lease liabilities ranged from 1.55% to 2.82% and 1.65% to 2.67% as of December 31, 2022 and 2021, respectively.

In 2022 and 2021, the Group did not have transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

Financial Risk Management Policies and Objectives

The Group has various financial assets and liabilities such as cash and cash equivalents, receivables, due to and from related parties, and accounts payable and other liabilities, which arise directly from its operations. The Group has bonds payable, short-term and long-term debt availed for financing purposes.

Exposure to credit, interest rate and liquidity risks arise in the normal course of the Group's business activities.

The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The Group's BOD reviews and approves the policies for managing each of these risks and they are summarized below:

Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Group by failing to discharge an obligation.



The Group trades only with recognized, creditworthy third parties. The Group's receivables are monitored on an ongoing basis to manage exposure to bad debts and to ensure timely execution of necessary intervention efforts. Real estate buyers are subject to standard credit check procedures, which are calibrated based on payment scheme offered. The Group assessed that its customers portfolio is homogeneous. The Group's respective credit management units conduct a comprehensive credit investigation and evaluation of each buyer to establish creditworthiness.

In addition, the credit risk for ICRs is mitigated as the Group has the right to cancel the sales contract without need for any court action and take possession of the subject house in case of refusal by the buyer to pay on time the due installment contracts receivable. This risk is further mitigated because the corresponding title to the subdivision units sold under this arrangement is transferred to the buyers only upon full payment of the contract price.

With respect to credit risk arising from the other financial assets of the Group, exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Group transacts only with institutions or banks which have demonstrated financial soundness for the past 5 years.

The Group's maximum exposure to credit risk as of December 31, 2022 and 2021 is equal to the carrying values of its financial assets with an aggregate amount of ₱5,776.46 million and ₱6,200.41 million, which excludes cash on hand amounting to ₱1.26 million and ₱1.23 million respectively, and ICRs with carrying values of ₱8,584.32 million and ₱8,449.61 million, respectively, and fair value of collateral amounting to ₱1,303.15 million and ₱2,464.69 million, respectively.

The credit quality of the financial assets was determined as follows:

Cash and cash equivalents, rental deposits and derivative asset - these are considered as high-grade financial assets as these are entered into with reputable counterparties.

Receivables - these are considered as high grade since there are no default in payments.

Due from related parties - these are considered as standard grade as these are settled on time or are slightly delayed due to unresolved concerns.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or the counterparty failing on repayment of a contractual obligation; or inability to generate cash inflows as anticipated. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and advances from related parties. It matches its projected cash flows to the projected amortization of long-term borrowings. For its short-term funding, the Group's policy is to ensure that there are sufficient operating inflows to match repayments of short-term debt.



The following table shows the maturity profile of the Group's financial assets used for liquidity purposes and liabilities based on contractual undiscounted payments:

	December 31, 2022		Total
	Within 1 Year	More than 1 year	
Financial assets			
Cash and cash equivalents	₱4,130,877,582	₱—	₱4,130,877,582
Short-term deposits	36,786,565	—	36,786,565
Receivables*	9,462,414,681	109,043,517	9,571,458,198
Due from related parties	975,322,703	—	975,322,703
Rental deposits	—	95,958,665	95,958,665
	₱14,605,401,531	₱205,002,182	₱14,810,403,713
Financial liabilities			
Accounts and other payables**	₱3,256,518,941	₱—	₱3,256,518,941
Due to related parties	358,060,626	—	358,060,626
Short-term debt	235,141,310	—	235,141,310
Liability from purchased land	67,200,000	63,782,533	130,982,533
Long-term debt:			
Principal	2,192,453,618	8,813,861,924	11,006,315,542
Interest	—	60,940,103	60,940,103
Bonds payable:			
Principal	—	6,000,000,000	6,000,000,000
Interest	—	82,746,077	82,746,077
Lease liabilities	15,434,671	12,297,519	27,732,190
Security deposits	61,343,009	769,131,246	830,474,255
	₱6,186,152,175	₱	₱21,988,911,577

* Excluding other receivables from employees amounting to ₱382.87 million as of December 31, 2022.

**Excluding customers' advances and statutory liabilities amounting to ₱1,645.01 million and ₱93.16 million, respectively, as of December 31, 2022.

	December 31, 2021		Total
	Within 1 Year	More than 1 year	
Financial assets			
Cash and cash equivalents	₱3,693,074,161	₱—	₱3,693,074,161
Short-term deposits	1,032,513,990	—	1,032,513,990
Receivables*	8,922,286,991	366,000,813	9,288,287,804
Due from related parties	526,962,834	—	526,962,834
Rental deposits	—	110,415,828	110,415,828
	₱14,174,837,976	₱476,416,641	₱14,651,254,617
Financial liabilities			
Accounts and other payables**	₱4,210,575,020	₱—	₱4,210,575,020
Due to related parties	317,358,734	—	317,358,734
Short-term debt	468,360,083	—	468,360,083
Liability from purchased land	67,200,000	141,145,286	208,345,286
Long-term debt:			
Principal	5,467,828,327	6,458,845,862	11,926,674,189
Interest	—	88,066,839	88,066,839
Bonds payable:			
Principal	2,992,055,358	3,007,944,642	6,000,000,000
Interest	—	52,804,571	52,804,571
Lease liabilities	25,543,296	31,596,667	57,139,963
Security deposits	250,645,280	494,077,647	744,722,927
	₱13,799,566,098	₱10,274,481,514	₱24,074,047,612

* Excluding other receivables from employees amounting to ₱372.84 million as of December 31, 2021.

**Excluding customers' advances and statutory liabilities amounting to ₱944.66 million and ₱95.86 million, respectively, as of December 31, 2021.



Interest rate risk

Interest rate risk is the risk that changes in the market interest rates will reduce the Group's current or future earnings and/or economic value. The Group's interest rate risk management policy centers on reducing the overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Group's interest-bearing debt obligations with floating interest rates or rates subject to repricing as it can cause a change in the amount of interest payments.

The following table sets out the carrying amount, by maturity, of the Group's long-term debt that are exposed to interest rate risk.

	Interest terms (p.a.)	Rate fixing period	<1 year	1 to 5 years
2022	6.2-10.3 %	Monthly; Annually	₱2,048,457,716	₱3,769,500,261
2021	6.2-10.3 %	Monthly; Annually	₱1,724,853,969	₱5,511,052,612

The following table demonstrates the sensitivity to reasonably possible changes in interest rates, with all variables held constant, of the Group's income before tax and equity (through the impact on floating rate borrowings).

	2022		2021	
	Increase (decrease) in interest rates	Effect on profit before tax	Increase (decrease) in interest rates	Effect on profit before tax
Basis points	0.33%	(₱19,199,261)	0.33%	(₱23,878,492)
	(0.33%)	19,199,261	(0.33%)	23,878,492

There is no other impact on the Group's total comprehensive income other than those already affecting the net income.

31. Performance Obligations

Information about the Group's performance obligations are summarized below:

Real estate sales

The Group entered into contracts to sell with one identified performance obligation, which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration. The sale of real estate unit may cover the contract for either the (i) serviced lot; (ii) service lot and house, and (ii) condominium unit and the Group concluded that there is one performance obligation in each of these contracts. The Group recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction.

Payment commences upon signing of the contract to sell and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include payment of 10%-30% of the contract price spread over a certain period (e.g., three months to four years) at a fixed monthly payment with the remaining balance payable (a) in full at the end of the period either through cash or external financing; or (b) through in-house financing which ranges from two (2) to five (5) years with fixed monthly payment. The amount due for collection under the



amortization schedule for each of the customer does not necessarily coincide with the progress of construction, which results to either an installment contract receivable or contract liability.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31, 2022 and 2021 are as follows:

	2022	2021
Within one year	₱7,029,550,189	₱4,461,037,571
More than one year	298,170,841	1,736,196,084
	₱7,327,721,030	₱6,197,233,655

The remaining performance obligations expected to be recognized within one year and in more than one year relate to the continuous development of the Group's real estate projects. The Group's condominium units are completed within three years and five years, respectively, from start of construction while serviced lots and serviced lots and house are expected to be completed within two to three years from start of development.

All of the Group's real estate sales from residential development are revenue from contracts with customers recognized over time. The Group's disaggregation of each sources of real estate sales are presented below:

Project	Location	2022	2021	2020
Century City	Makati City	₱1,019,209,007	₱957,678,288	₱1,660,954,270
The Residences at Commonwealth	Quezon City	893,414,343	916,120,606	1,702,846,685
Azure Urban Resort Residences	Paranaque City	218,846,457	256,102,227	988,828,244
Acqua Private Residences	Mandaluyong City	30,710,474	200,961,843	261,152,819
The Resort Residences at Azure North	Pampanga City	1,085,356,789	1,225,269,089	1,650,674,821
Batulao Landscapes	Batangas	347,705,325	200,232,805	302,822,070
Tanza Properties	Cavite	476,306,136	839,990,130	658,408,344
PHirst Park Homes	Cavite	—	—	1,606,098,551
PHirst Park Homes	Bulacan	2,322,672,961	488,248,023	—
PHirst Park Homes	Laguna	1,109,375,197	1,142,833,971	—
PHirst Park Homes	Pampanga City	618,512,994	132,283,950	—
PHirst Park Homes	Batangas	1,109,375,196	1,304,680,721	—
Canyon Ranch	Cavite	—	—	650,833,837
		₱9,231,484,879	₱7,664,401,653	₱9,482,619,641

Property management and other service fees

The Group's disaggregation of each source of property management and other service fees are as follows:

Location	2022	2021	2020
Within Metro Manila	₱416,646,096	₱393,609,545	₱383,489,931
Outside Metro Manila	6,721,861	6,401,772	6,233,388
	₱423,367,957	₱400,011,317	₱389,723,319



32. Segment Information

Business segment information is reported on the basis that is used internally for evaluating segment performance and deciding how to allocate resources among operating segments. Accordingly, the segment information is reported based on the nature of service the Group is providing.

The segments where the Group operate follow:

- Real estate development - sale of high-end, upper middle-income and affordable residential lots and units and lease of residential developments under partnership agreements;
- Leasing - lease of the Group's retail mall;
- Property management - facilities management of the residential and corporate developments of the Group and other third-party projects, including provision of technical and related consultancy services.

Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

The financial information about the operations of these operating segments is summarized below:

	For the Year Ended December 31, 2022				
	Real Estate Development	Property Management	Leasing	Adjustments and Elimination	Consolidated
Revenue	₱9,383,717,315	₱423,367,957	₱1,362,474,800	(₱42,913,837)	₱11,126,646,235
Costs and expenses					
Cost of real estate sales and services	5,607,263,687	268,345,792	440,815,699	—	6,316,425,178
General, administrative and selling expenses	2,818,432,222	87,384,331	62,765,293	(197,483,450)	2,771,098,396
Operating income	958,021,406	67,637,834	858,893,808	154,569,613	2,039,122,661
Other income (expenses)					
Interest and other income	1,475,139,549	110	123,109,188	(1,095,749,143)	502,499,704
Interest and other financing charges	(616,471,480)	(26,054)	(305,491,896)	4,099,913	(917,889,517)
Income before income tax	1,816,689,475	67,611,890	676,511,100	(937,079,616)	1,623,732,849
Provision for income tax	22,644,048	18,266,478	179,497,975	(1,434,731)	218,973,770
Net income	₱1,794,045,427	₱49,345,412	₱497,013,125	(₱935,644,885)	₱1,404,759,079

	As of December 31, 2022				
Segment assets	₱61,637,813,735	₱309,294,327	₱18,793,326,549	(₱26,842,538,681)	₱53,897,895,930
Deferred tax assets	10,590,006	12,625,887	—	9,988,625	33,204,518
Total Assets	₱61,648,403,741	₱321,920,214	₱18,793,326,549	(₱26,832,550,056)	₱53,931,100,448
Segment liabilities	₱30,445,559,476	₱260,464,436	₱13,499,061,188	(₱16,608,671,445)	₱27,596,413,655
Deferred tax liabilities	1,580,595,697	—	902,645,971	58,903,251	2,542,144,919
Total Liabilities	₱32,026,155,173	₱260,464,436	₱14,401,707,159	(₱16,549,768,194)	₱30,138,558,574

	For the Year Ended December 31, 2021				
	Real Estate Development	Property Management	Leasing	Adjustments and Elimination	Consolidated
Revenue	₱7,844,517,712	₱400,011,317	₱1,200,366,601	₱—	₱9,444,895,630
Costs and expenses					
Cost of real estate sales and services	4,808,420,850	272,728,398	352,043,445	—	5,433,192,693
General, administrative and selling expenses	2,433,141,793	85,234,957	242,058,512	(67,530,194)	2,692,905,068
Operating income	602,955,069	42,047,962	606,264,644	67,530,194	1,318,797,869
Other income (expenses)					
Interest and other income	777,312,014	—	237,125,618	(379,237,142)	635,200,490
Interest and other financing charges	(573,977,733)	(13,908)	(320,600,434)	—	(894,592,075)
Income before income tax	806,289,350	42,034,054	522,789,828	(311,706,948)	1,059,406,284
Provision for (benefit from) income tax	(193,021,840)	15,287,101	(11,718,677)	(20,246,448)	(209,699,864)
Net income	₱999,311,190	₱26,746,953	₱534,508,505	(₱291,460,500)	₱1,269,106,148



As of December 31, 2021					
Segment assets	₱58,301,853,163	₱260,448,115	₱16,686,161,746	(₱20,768,717,921)	₱54,479,745,103
Deferred tax assets	—	15,317,377	—	11,447,068	26,764,445
Total Assets	₱58,301,853,163	₱275,765,492	₱16,686,161,746	(₱20,757,270,853)	₱54,506,509,548
Segment liabilities	₱30,158,319,381	₱216,275,707	₱10,447,703,676	(₱11,314,360,361)	₱29,507,938,403
Deferred tax liabilities	1,808,785,268	80,361	859,287,323	(20,246,448)	2,647,906,504
Total Liabilities	₱31,967,104,649	₱216,356,068	₱11,306,990,999	(₱11,334,606,809)	₱32,155,844,907

For the Year Ended December 31, 2020					
	Real Estate Development	Property Management	Leasing	Adjustments and Elimination	Consolidated
Revenue	₱9,662,658,113	₱389,723,319	₱795,034,245	(₱11,670,985)	₱10,835,744,692
Costs and expenses					
Cost of real estate sales and services	6,108,919,705	285,985,555	226,533,530	(25,970,173)	6,595,468,617
General, administrative and selling expenses	2,591,025,651	93,819,746	246,398,496	(67,530,194)	2,863,713,699
Operating income	962,712,757	9,918,018	322,102,219	81,829,382	1,376,562,376
Other income (expenses)					
Interest and other income	1,302,662,925	10,806,244	827,524,492	(1,005,442,102)	1,135,551,559
Interest and other financing charges	(784,760,101)	(264,738)	(194,092,328)	31,608,000	(947,509,167)
Income before income tax	1,480,615,581	20,459,524	955,534,383	(892,004,720)	1,564,604,768
Provision for income tax	171,599,808	9,899,533	290,709,343	(56,837,952)	415,370,732
Net income	₱1,309,015,773	₱10,559,991	₱664,825,040	(₱835,166,768)	₱1,149,234,036
Segment assets	₱60,737,259,653	₱276,131,172	₱17,189,180,306	(₱25,279,947,932)	₱52,922,623,199
Deferred tax assets	8,521,291	22,049,451	—	55,709,479	86,280,221
Total Assets	₱60,745,780,944	₱298,180,623	₱17,189,180,306	(₱25,224,238,453)	₱53,008,903,420
Segment liabilities	₱33,928,803,567	₱275,584,925	₱10,823,793,820	(₱16,102,081,183)	₱28,926,101,129
Deferred tax liabilities	2,187,251,755	80,362	809,242,114	(45,045,600)	2,951,528,631
Total Liabilities	₱36,116,055,322	₱275,665,287	₱11,633,035,934	(₱16,147,126,783)	₱31,877,629,760

33. Other Current and Noncurrent Liabilities

Deposits for Preferred Shares Subscription

The Group's deposit for preferred shares subscription pertains to deposits received by the Group from buyers of its preferred shares. On June 17, 2015, the Group's preferred shares divided into Class A, Class B, Class C and Class D have been registered with SEC for public offering.

Movements of issuances and cancellation of shares per Preferred Class are summarized in the table below.

Class of shares	Number of Shares				Total
	Preferred A shares	Preferred B shares	Preferred C shares	Preferred D shares	
Authorized shares	6,344	520	520	520	
Par value in ₱	10	100	1,000	10,000	
Issued and outstanding shares at					
December 31, 2015	1,430	234	—	234	1,898
Issuances during 2016	286	52	—	—	338
Cancellation of shares	—	—	—	(221)	(221)
Issued and outstanding shares at					
December 31, 2016	1,716	286	—	13	2,015
Issuances during 2017	4,498	200	91	26	4,815
Cancellation of shares	—	—	—	—	—

(Forward)



Class of shares	Number of Shares				Total
	Preferred A shares	Preferred B shares	Preferred C shares	Preferred D shares	
Issued and outstanding shares at December 31, 2017	6,214	486	91	39	6,830
Issuances during 2018	—	8	416	169	593
Cancellation of shares	(26)	—	—	—	(26)
Issued and outstanding shares at December 31, 2018	6,188	494	507	208	7,397
Issuances during 2019	—	—	—	—	—
Cancellation of shares	—	—	—	—	—
Issued and outstanding shares at December 31, 2019	6,188	494	507	208	7,397
Issuances during 2020	—	—	13	39	52
Cancellation of shares	(39)	(13)	—	—	(52)
Issued and outstanding shares at December 31, 2020	6,149	481	520	247	7,397
Issuances during 2021	—	—	—	—	—
Cancellation of shares	(520)	(52)	(39)	(104)	(715)
Number of shares at December 31, 2021	5,629	429	481	143	6,682
Issuances during 2022	—	—	—	—	—
Cancellation of shares	(169)	(39)	(39)	—	(247)
Number of shares at December 31, 2022	5,460	390	442	143	6,435

The preferred shares have the following features, rights, privileges and obligations which can be availed by the preferred shareholders upon full payment:

- All classes of the preferred shares are non-voting.
- Preferred shareholders are entitled to use and occupy, for twenty-eight (28) nights per year (the “Annual Usage Entitlement”), the rooms to be owned by the Group in the planned Acqua 6 Tower of the Acqua Private Residences (upon its completion and only when such rooms are ready for occupancy), with the room class based on the class of preferred shares owned. Annual Usage Entitlements are non-cumulative.

The corresponding room class of each class of shares are as follows:

Class of Preferred Shares	Corresponding Room Class
Preferred A shares	Studio Room
Preferred B shares	One Bedroom Deluxe Room
Preferred C shares	One Bedroom Superior Room
Preferred D shares	One Bedroom Premier Room

- The preferred shareholders shall be entitled to a share in Net Room Rental Revenue at the rate of 40% for all of the 152 rooms to be owned by the Group. The share of a preferred shareholder in the Net Room Rental Revenue shall be payable annually. The share of a preferred shareholder in the Net Room Rental Revenue shall be calculated based on the attributable square meters (“SQM”) corresponding to the class of preferred shares held by such preferred shareholder for every 13 preferred shares held.



- d. Net Room Rental Revenue means total revenue from rentals of all rooms less total room cost of sales. The corresponding attributable SQM of each class of shares are as follows:

Class of Preferred Shares	Corresponding Attributable SQM
Preferred A shares	8.00
Preferred B shares	11.75
Preferred C shares	19.00
Preferred D shares	21.75

- e. The preferred shareholders shall no longer participate in any dividend declaration of the Group.

The preferred shareholders shall regularly and diligently pay the fees, contributions, charges and other dues, including but not limited to the Annual Management Fee, Annual Operating Budget, Furniture, Fittings and Equipment Reserve, pertaining to the maintenance and use of the rooms to be owned by the Group.

Upon full payment and availability of the rooms and when the rights and benefits vest upon completion of the Project, these deposits will be reclassified to preferred shares and will be split between the equity and liability components. As of December 31, 2022 and 2021, 4,914 shares and 4,888 shares have been fully paid, respectively.

Total deposits for preferred shares subscriptions received presented under financial statement caption “Other noncurrent liabilities” amounted to ₱1,036.89 million as of December 31, 2021 (see Note 21).

On December 15, 2022, the project was already completed, and Novotel Suites formally began its operations. Thus, the Group utilized a discounted cash flow model and used certain assumptions (including discount rate, annual average occupancy rate, performance growth rates, and a terminal value) to determine the value of the financial liability and equity component of the preferred shares. The model used (a) a pre-tax discount rate of 11.00% in 2022 and (b) a growth rate of 5.00% applied beyond the 10th year projections in 2022, among others. The Group benchmarked these assumptions against historical observations in internal businesses with similar performance drivers, as well as industry outlook. Based on the calculation performed, the Group reclassified the equity portion amounting to ₱54.18 million to preferred shares (see Note 21).

Advance Deposits and Refundable Deposits

Refundable deposits pertain to utilities and meter deposits, and security deposits collected from tenants which are refundable at the end of the lease contracts. The Group received refundable deposits and security deposits classified as “Other current liabilities” amounting to ₱61.34 million and ₱107.38 million and “Other noncurrent liabilities” amounting to ₱769.13 million and ₱741.34 million as of December 31, 2022 and December 31, 2021, respectively (see Note 29).

Deferred Lease Income

Deferred lease income is amortized over the lease term on a straight-line basis and which amortization is recorded as part of “Leasing revenue” in the statements of comprehensive income. The carrying value of the deferred lease income presented under financial statement caption “Other current liabilities” amounted to ₱6.81 million and ₱2.17 million and “Other noncurrent liabilities” amounted to ₱68.15 million and ₱134.93 million as of December 31, 2022 and December 31, 2021, respectively (see Note 29).



34. Contingencies

The Group is contingently liable for lawsuits or claims filed by third parties (substantially civil cases that are either pending decision by the courts or are under negotiation, the outcomes of which are not presently determinable). In the opinion of management and its legal counsels, the eventual liability under these lawsuits or claims, if any, will not have a material or adverse effect on the Group's financial position and results of operations. The information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed on the grounds that it can be expected to prejudice the outcome of these lawsuits, claims or assessments. No provisions were recognized in 2022, 2021 and 2020 with respect to the foregoing matters.

35. Notes to Consolidated Statements of Cash Flows

Below are the noncash transactions not included in the adjustments for income before tax in the consolidated statements of cash flows for the years ended December 31, 2022, 2021 and 2020:

- a. Transfer from investment property to real estate property amounting to ₱1,053.05 million in 2022 (see Notes 7 and 11).
- b. Transfer from investment property to property and equipment amounting to ₱556.82 million in 2022 (see Notes 7 and 11).
- c. Reclassification of Deposit for Preferred Shares Subscription to non-controlling interest amounting to ₱54.18 million in 2022 (see Notes 21 and 33).
- d. Transfer from real estate inventories to investment property amounting to ₱2.52 million in 2020 (see Notes 7 and 11).
- e. Advances to land owners amounting to ₱410.21 million converted to inventories in 2022 (see Notes 7 and 13).
- f. Deposit for purchased land amounting to ₱30.16 million converted to inventories in 2022 (see Notes 7 and 9).
- g. Other receivables amounting to ₱384.22 million converted to advances to land owners in 2020 (see Notes 6 and 13).
- h. Amortization of deferred financing costs amounting to ₱113.99 million, ₱89.54 million and ₱84.69 million in 2022, 2021 and 2020, respectively (see Notes 18).
- i. Additions to right-of-use assets and increase in lease liabilities amounting ₱76.29 million and ₱11.57 million in 2021 and 2020, respectively (see Note 12).



Changes in liabilities arising from financing activities

2022							
	Beginning of the year	Cash flows	Deferred financing cost application	Amortization of discount	Dividend declaration	Other movements	End of the year
Short-term and long-term debts	₱12,306,967,433	(₱1,092,637,317)	(₱46,897,795)	₱74,024,531	₱—	₱—	₱11,241,456,852
Bonds payable	5,947,195,429	—	(69,907,011)	39,965,505	—	—	5,917,253,923
Non-controlling interest	1,630,172,289	120,000,000	—	—	—	562,172,202	2,312,344,491
Due to related parties	317,358,734	40,701,892	—	—	—	—	358,060,626
Dividends payable	52,980,640	(201,531,000)	—	—	201,531,000	—	52,980,640
Lease liabilities	57,139,963	(29,407,773)	—	—	—	—	27,732,190
Deposits for preferred shares	1,036,353,927	(30,248,038)	—	—	—	(54,180,395)	951,925,494
Deferred financing costs	—	(116,804,806)	116,804,806	—	—	—	—
	₱21,348,168,415	(₱1,309,927,042)	₱—	₱113,990,036	₱201,531,000	₱507,991,807	₱20,861,754,216

2021							
	Beginning of the year	Cash flows	Deferred financing cost application	Amortization of discount	Dividend declaration	Other movements	End of the year
Short-term and long-term debts	₱15,668,124,400	(₱3,386,174,059)	(₱22,743,202)	₱47,760,295	₱—	₱—	₱12,306,967,433
Bonds payable	3,084,766,287	2,880,890,000	(60,242,941)	41,782,082	—	—	5,947,195,429
Non-controlling interest	1,271,816,572	40,000,000	—	—	—	318,355,718	1,630,172,290
Due to related parties	270,006,022	47,352,712	—	—	—	—	317,358,734
Dividends payable	215,064,276	(327,440,181)	—	—	165,356,546	—	52,980,641
Lease liabilities	4,525,606	(23,678,500)	—	—	—	76,292,857	57,139,963
Deferred financing costs	—	(82,986,143)	82,986,143	—	—	—	—
	₱20,514,303,163	(₱852,036,171)	₱—	₱89,542,377	₱165,356,545	₱394,648,574	₱20,311,814,490

2020							
	Beginning of the year	Cash flows	Acquisition of NCI	Amortization of discount	Dividend declaration	Other movements	End of the year
Short-term and long-term debts	₱16,795,409,867	(₱1,211,979,706)	₱—	₱84,694,239	₱—	₱—	₱15,668,124,400
Bonds payable	4,453,032,166	(1,393,530,000)	—	25,264,121	—	—	3,084,766,287
Paid-in capital	8,840,595,694	2,910,771,277	—	—	—	(9,836,529)	11,741,530,442
Non-controlling interest	2,132,513,056	(96,000,000)	(1,117,761,580)	—	—	353,065,096	1,271,816,572
Deposits for future stock subscription	42,480,000	—	—	—	—	(42,480,000)	—
Other noncurrent liabilities	1,455,112,885	56,107,956	—	—	—	275,346,783	1,786,567,624
Due to related parties	171,191,762	126,452,736	—	—	—	(27,638,476)	270,006,022
Dividends payable	11,717,930	(297,179,924)	—	—	500,526,270	—	215,064,276
Lease liabilities	61,178,004	(17,090,874)	—	—	—	(39,561,524)	4,525,606
	₱33,963,231,364	₱77,551,465	(₱1,117,761,580)	₱109,958,360	₱500,526,270	₱508,895,350	₱34,042,401,229



36. Events After the Reporting Date

Public Offering of Retail Bonds

On February 11, 2022, the Securities and Exchange Commission approved the application of the Parent Company's Shelf Registration of Debt Securities in the aggregate amount of Six Billion Pesos (₱6,000,000,000) to be offered within a period of 3 years or such period as Securities and Exchange Commission may allow at an Issue Price of 100% of Face Value. The First Tranche of the Fixed Rate Retail Bonds is Two Billion Pesos (₱2,000,000,000) with an Oversubscription Option of up to One Billion Pesos (₱1,000,000,000) Five (5)-Year Fixed Retail Bonds due 2027.

On March 17, 2023, the Group's second tranche offer of fixed rate retail bonds consisting of up to Two Billion Pesos (P2,000,000,000.00) with an Over-subscription Option of up to One Billion Pesos (P1,000,000,000.00) have been listed at the Philippine Dealing & Exchange Corp. (PDEX).



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Century Properties Group Inc.
21st Floor, Pacific Star Building
Sen. Gil Puyat corner Makati Avenue
Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Century Properties Group, Inc. and Subsidiaries (the Group) as at December 31, 2022 and 2021, and for each of the three years in the period ended December 31, 2022, included in this Form 17-A, and have issued our report thereon dated March 28, 2023. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole, are prepared in all material respects, in accordance with Philippine Financial Reporting Standards, as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission, as described in Note 2 to the consolidated financial statements.

SYCIP GORRES VELAYO & CO.



Ma. Emilita L. Villanueva

Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, August 25, 2022, valid until April 15, 2024

SEC Partner Accreditation No. 95198-SEC (Group A)

Valid to cover audit of 2022 to 2025 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2022 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-141-2022, November 10, 2022, valid until November 9, 2024

PTR No. 9566019, January 3, 2023, Makati City

March 28, 2023



INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Century Properties Group Inc.
21st Floor, Pacific Star Building
Sen. Gil Puyat corner Makati Avenue
Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Century Properties Group, Inc. and Subsidiaries (the Group) as at December 31, 2022 and 2021, and for each of the three years in the period ended December 31, 2022, and have issued our report thereon dated March 28, 2023. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRSs), as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission (SEC), as described in Note 2 to the consolidated financial statements, and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the SEC, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRSs, as modified by the application of the financial reporting reliefs issued and approved by the SEC, as described in Note 2 to the consolidated financial statements. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2022 and 2021 and for each of the three years in the period ended December 31, 2022 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Ma. Emilita L. Villanueva
Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, August 25, 2022, valid until April 15, 2024

SEC Partner Accreditation No. 95198-SEC (Group A)

Valid to cover audit of 2022 to 2025 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2022 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-141-2022, November 10, 2022, valid until November 9, 2024

PTR No. 9566019, January 3, 2023, Makati City

March 28, 2023



**INDEPENDENT AUDITOR'S REPORT
ON RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION**

The Stockholders and the Board of Directors
Century Properties Group Inc.
21st Floor, Pacific Star Building
Sen. Gil Puyat corner Makati Avenue
Makati City

We have audited in accordance with Philippine Standard on Auditing, the consolidated financial statements of Century Properties Group Inc. (the Company) and its Subsidiaries (collectively, "the Group") as at December 31, 2022 and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated March 28, 2023. Our audit was made for the purpose of expressing a conclusion on the consolidated financial statements of the Group taken as whole. The Company's schedule of retained earnings available for dividend declaration is the responsibility of the Company's management. The schedule is presented for purposes of complying with the Revised Securities Regulation Code Rule 68 and is not part of year end consolidated financial statements. The schedule has been subjected to the procedures applied in the audit of the consolidated financial statements of the Group, and based on our audit, nothing has come to our attention that causes us to believe that the information required to be set forth therein has not been prepared, in all material respects, in relation to the consolidated financial statements of the Group taken as a whole.

SYCIP GORRES VELAYO & CO.



Ma. Emilita L. Villanueva

Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 95198-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-141-2021, November 10, 2021, valid until November 9, 2024

PTR No. 9566019, January 3, 2023, Makati City

March 28, 2023



INDEX TO THE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

Schedule	Contents
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related parties)
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
D	Intangible Assets - Other Assets
E	Long-Term Debt
F	Indebtedness to Related Parties
G	Guarantees of Securities of Other Issuers
H	Capital Stock
I	Schedule of Retained Earnings Available for Dividend Declaration
J	Financial Ratios
K	Map Showing the Relationships Between and Among the Companies in the Group, its Ultimate Parent Company and Co-subsiidiaries
L	Schedule of Preferred Shares Proceeds
M	Schedule of Bonds Proceeds

SCHEDULE A

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF FINANCIAL ASSETS

DECEMBER 31, 2022

	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet	Income received or accrued
Cash and cash equivalents	₱—	₱4,130,877,582	₱52,640,793
Short-term investments		36,786,565	564,975
Receivables			
Trade receivables:			
ICR	—	8,584,320,427	109,318,599
Leasing receivables	—	450,320,867	—
Management fee	—	140,819,720	—
Advances to condominium corporations		104,981,945	
Advances to customers	—	119,638,563	—
Other receivables	—	181,080,781	—
Due from related parties	—	975,322,703	—
Rental deposit	—	95,958,665	—
	₱—	₱14,820,107,818	₱163,089,342

SCHEDULE B**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM
DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES, AND
PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)
DECEMBER 31, 2022**

Name and Designation of debtor	Balance at beginning of period	Additions	Amounts collected	Current	Not Current	Balance at the end of the period
Officers, Directors and Employees	₱17,311,204	₱23,322	(₱8,843,962)	₱8,490,565	₱—	₱8,490,564

SCHEDULE C

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

**SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM
RELATED PARTIES WHICH ARE ELIMINATED DURING THE
CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2022**

	Receivable Balance	Payable Balance	Current Portion
CPGI	₱9,064,111,278	(₱587,172,368)	₱8,476,938,910
CLC	627,336,705	(7,312,572,120)	(6,685,235,415)
PPHI	251,778,440	(5,110,917)	246,667,523
CCDC	5,860,822,133	(6,440,626,413)	(579,804,280)
CCC	—	(1,211,347,545)	(1,211,347,545)
CPMI	28,887,209	(22,295,605)	6,591,604
CDLC	—	(253,810,797)	(253,810,797)
Total Eliminated Receivables/Payables	₱15,832,935,765	(₱15,832,935,765)	₱—

SCHEDULE D**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF INTANGIBLE ASSETS - OTHER ASSETS
DECEMBER 31, 2022**

Description	Beginning Balance	Additions at cost	Charged to cost and expenses	Charged to other accounts	Other changes additions (deductions)	Ending Balance
Trademark	₱3,024,289	₱—	₱—	₱—	₱—	₱3,024,289
Software						
Cost	46,745,049	—	(7,427,305)	—	—	39,317,744
	₱49,769,338	₱—	(₱7,427,305)	₱—	₱—	₱42,342,033

SCHEDULE E**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**

SUPPLEMENTARY SCHEDULE OF LONG-TERM DEBT

AND BONDS PAYABLE

DECEMBER 31, 2022

Long-term Debt and Bonds Payable

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current Liabilities" in related balance sheet	Amount shown under caption "Noncurrent Liabilities" in related balance sheet
Term Loan	₱9,012,998,322	₱1,217,924,577	₱7,795,073,745
Payable under CTS			
financing	1,992,662,424	973,874,245	1,018,788,179
Chattel Mortgage	654,796	654,796	—
Bonds payable	5,917,253,923	—	5,917,253,923
	₱16,923,569,465	₱2,192,453,618	₱14,731,115,847

SCHEDULE F

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

**SUPPLEMENTARY SCHEDULE OF INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)**

DECEMBER 31, 2022

Indebtedness to related parties (Long-term loans from Related Companies)		
Name of related party	Balance at beginning of period	Balance at end of period
N/A		

SCHEDULE G**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF GUARANTEES OF SECURITIES OF
OTHER ISSUERS****DECEMBER 31, 2022**

Guarantees of Securities of Other Issuers				
Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is file	Nature of guarantee
N/A				

SCHEDULE H**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**

SUPPLEMENTARY SCHEDULE OF CAPITAL STOCK

DECEMBER 31, 2022

Capital Stock						
Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common Stock*	15,000,000,000	11,599,600,690	—	—	9	—
Preferred Stock	3,000,000,000	30,000,000	—	—	—	—

**All nine (9) directors have one (1) nominal common shares issued*

SCHEDULE I

CENTURY PROPERTIES GROUP INC.

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION DECEMBER 31, 2022

Unappropriated Retained Earnings, as adjusted to
available for dividend distribution, beginning **₱560,421,249**

Add: Net income (loss) actually earned/realized during the period

Net income (loss) during the period closed to Retained Earnings	(148,739,748)
Less: Non-actual/unrealized income net of tax	
Equity in net income of associate/joint venture	—
Unrealized foreign exchange gain - net (except those attributable to Cash and Cash Equivalents)	—
Unrealized actuarial gain	
Fair value adjustment (M2M gains)	—
Fair value adjustment of Investment Property resulting to gain	—
Adjustment due to deviation from PFRS/GAAP-gain	—
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	—

Sub-total —

Add: Non-actual/Unrealized Losses

Depreciation on revaluation increment (after tax)	—
Adjustment due to deviation from PFRS/GAAP – loss	—
Loss on fair value adjustment of investment property (after tax)	—
	—

Net Income Actual/Realized (148,739,748)

Add(Less):

Dividend declarations during the period	(201,531,000)
Appropriations of Retained Earnings during the period	—
Reversals of appropriations	—
Effects of prior period adjustments	—
Treasury shares	—
	(201,531,000)

**TOTAL RETAINED EARNINGS, END
AVAILABLE FOR DIVIDEND**

₱210,150,501

SCHEDULE J

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

SCHEDULE OF FINANCIAL RATIOS

DECEMBER 31, 2022

Financial ratios	December 31, 2022	December 31, 2021
Current/Liquidity Ratios		
Current Assets	36,103,684,078	35,012,984,828
Current Liabilities	10,768,820,128	17,817,016,575
Current Ratios	3.4	2.0
Current Assets	36,103,684,078	35,012,984,828
Inventory	17,723,397,564	16,143,099,068
Quick Assets	18,380,286,514	18,869,885,760
Current Liabilities	10,768,820,128	17,817,016,575
Quick Ratios	1.7	1.1
Liabilities and Debt Ratios		
Short-term debt	235,141,310	468,360,083
Long-term debt - Current	2,192,453,618	5,467,828,327
Long-term debt - non-current	8,813,861,924	6,370,779,023
Bonds payable	5,917,253,923	5,947,195,429
Debt	17,158,710,775	18,254,162,862
Equity	23,792,541,874	22,350,664,641
Debt-to-Equity	0.7	0.8
Debt	17,158,710,775	18,254,162,862
Cash and Cash Equivalents	4,130,877,582	3,693,074,161
Net Debt	13,027,833,193	14,561,088,701
Equity	23,792,541,874	22,350,664,641
Net Debt-to-Equity	0.5	0.7
Debt	17,158,710,775	18,254,162,862
EBITDA	2,475,710,475	1,922,133,566
Debt-to-EBITDA	6.9	9.5
Income before Income Tax	1,623,732,848	1,059,406,284
Interest expense	795,984,164	795,147,267
Depreciation and amortization	55,993,463	67,580,015
EBITDA	2,475,710,475	1,922,133,566
Asset to Equity Ratios		
Total Assets	53,931,100,448	54,830,466,009
Total Equity	23,792,541,874	22,350,664,641
Asset to Equity Ratio	2.3	2.5
Liabilities to Equity Ratios		
Total Liabilities	30,138,558,574	32,155,844,907
Total Equity	23,792,541,874	22,350,664,641
Liabilities to Equity Ratio	1.3	1.4

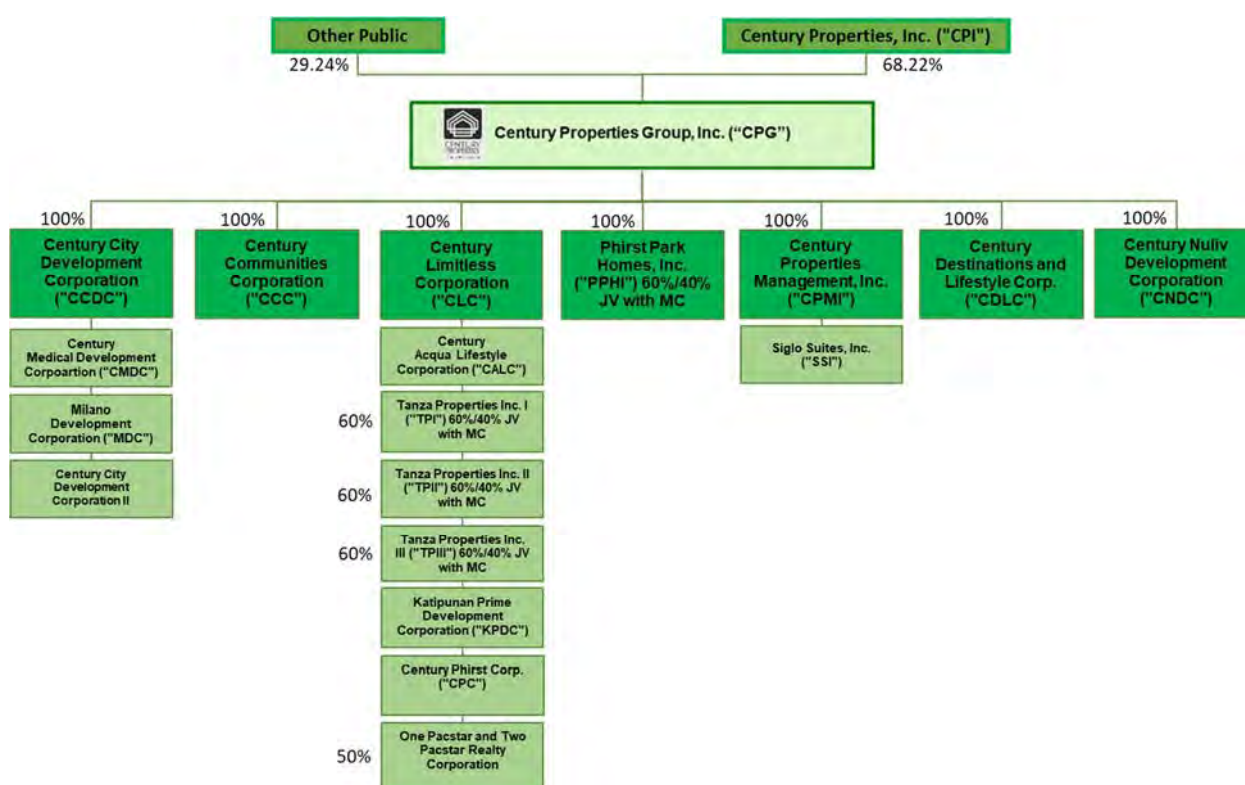
Financial ratios	December 31, 2022	December 31, 2021
Profitability ratios		
Revenue	11,126,646,235	9,444,895,630
Gross Profit	4,810,221,057	4,011,702,937
Gross Profit Ratio	43%	42%
Net Income Attributable to Equity holders of the Parent Company	901,290,468	950,750,431
Revenue	11,126,646,235	9,444,895,630
Net Income Margin	8.1%	10.1%
Total Net Income after tax	1,404,759,079	1,269,106,148
Total Asset CY	53,931,100,448	54,506,509,548
Total Asset PY	54,506,509,548	53,008,903,420
Average total asset	54,218,804,998	53,757,706,484
Return on Asset	2.6%	2.4%
Total Net Income after tax	1,404,759,079	1,269,106,148
Total Equity CY	23,792,541,874	22,350,664,641
Total Equity PY	22,350,664,641	21,131,273,660
Average total equity	23,071,603,258	21,740,969,151
Return on Equity	6.1%	5.8%
Net Income	1,404,759,079	1,269,106,148
Revenue	11,126,646,235	9,444,895,630
Net Income Margin	12.6%	13.4%

SCHEDULE K

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT COMPANY AND CO-SUBSIDIARIES

DECEMBER 31, 2022



Century Properties Group Inc. (CPGI) – incorporated in May 6, 1975, CPGI is the listed Company of CPI with property development corporations as subsidiaries.

CPGI Subsidiaries

Century City Development Corporation (CCDC) – incorporated in 2006, is focused on developing mixed-use communities that contain residences, office and retail properties. CCDC is currently developing Century City, a 3.4 hectare mixed-use development along Kalayaan Avenue, Makati City. CCDC has fourteen local subsidiaries.

Milano Development Corporation (MDC) & Centuria Medical Development Corporation (CMDL) – is a wholly owned subsidiary of CCDC. Affiliated company under CCDC includes CCDC II.

Century Communities Corporation – incorporated in 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

SCHEDULE J

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

SCHEDULE OF FINANCIAL RATIOS

DECEMBER 31, 2022

Financial ratios	December 31, 2022	December 31, 2021
Current/Liquidity Ratios		
Current Assets	36,103,684,078	35,012,984,828
Current Liabilities	10,768,820,128	17,817,016,575
Current Ratios	3.4	2.0
Current Assets	36,103,684,078	35,012,984,828
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Quick Assets	18,380,286,514	18,869,885,760
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Short-term debt	235,141,310	468,360,083
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Debt	17,158,710,775	18,254,162,862
Equity	23,792,541,874	22,350,664,641
Debt-to-Equity	0.7	0.8
Debt	17,158,710,775	18,254,162,862
Cash and Cash Equivalents	4,130,877,582	3,693,074,161
Net Debt	13,027,833,193	14,561,088,701
Equity	23,792,541,874	22,350,664,641
Net Debt-to-Equity	0.5	0.7
Debt	17,158,710,775	18,254,162,862
EBITDA	2,475,710,475	1,922,133,566
Debt-to-EBITDA	6.9	9.5
Income before Income Tax	1,623,732,848	1,059,406,284
Interest expense	795,984,164	795,147,267
Depreciation and amortization	55,993,463	67,580,015
EBITDA	2,475,710,475	1,922,133,566
Asset to Equity Ratios		
Total Assets	53,931,100,448	54,830,466,009
Total Equity	23,792,541,874	22,350,664,641
Asset to Equity Ratio	2.3	2.5
Liabilities to Equity Ratios		
Total Liabilities	30,138,558,574	32,155,844,907
Total Equity	23,792,541,874	22,350,664,641
Liabilities to Equity Ratio	1.3	1.4

Financial ratios	December 31, 2022	December 31, 2021
Profitability ratios		
Revenue	11,126,646,235	9,444,895,630
Gross Profit	4,810,221,057	4,011,702,937
Gross Profit Ratio	43%	42%
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Revenue	11,126,646,235	9,444,895,630
Net Income Margin	8.1%	10.1%
Total Net Income after tax	1,404,759,079	1,269,106,148
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Total Asset PY	54,506,509,548	53,008,903,420
Average total asset	54,218,804,998	53,757,706,484
Return on Asset	2.6%	2.4%
Total Net Income after tax	1,404,759,079	1,269,106,148
Total Equity CY	23,792,541,874	22,350,664,641
Total Equity PY	22,350,664,641	21,131,273,660
Average total equity	23,071,603,258	21,740,969,151
Return on Equity	6.1%	5.8%
Net Income	1,404,759,079	1,269,106,148
Revenue	11,126,646,235	9,444,895,630
Net Income Margin	12.6%	13.4%

project. CCC is currently developing Canyon Ranch, a 25-hectare house and lot development located in Carmona, Cavite. 100% owned by CPGI.

Century Limitless Corporation (CLC) – incorporated in 2008, is Century's brand category that focuses on developing high-quality, affordable residential projects. Projects under CLC caters to first-time home buyers, start-up families and investors seeking safe, secure and convenient homes. It has one internal branch office in Singapore namely CLC Singapore. CLC is 100% owned by CPGI.

Phirst Park Homes, Inc. (PPHI) – incorporated in 2018, is the new First-Home brand of PHirst Park Homes Incorporated, a company born from the partnership between one of the leading real estate companies in the Philippines, CPGI (60%). and Japanese global integrated business enterprise, Mitsubishi Corporation (40%). It focuses in developing affordable horizontal house and lot development, it aims to promote a balanced life that enhances one's way of living and overall value where they and their families can thrive in a safe and secured environment.

Century Nuliv Development Corporation (CNDC) – incorporated in 2020, is Century's newest brand category which will focus on building townhouses and other low-rise structures while focusing on sustainability, health and wellness. Projects under CNDC offers homes which come in a range of choices: upscale and premium town villas, homes and enclaves. CNDC is 100% owned by CPGI.

SCHEDULE L

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

SCHEDULE OF PREFERRED SHARES PROCEEDS

DECEMBER 31, 2022

₱2.0 BILLION PREFERRED SHARES WITH ₱1.0 BILLION OVERSUBSCRIPTIONS

Use of Proceeds	ESTIMATED PER PROSPECTUS		ACTUAL
	Base Offer	With Oversubscription Option	
Net proceeds from the sale of Preferred Shares	₱2,000,000,000	₱1,000,000,000	₱3,000,000,000
Less: Offer Related Expenses			
Underwriting fees	20,000,000	10,000,000	49,031,689
DST	106,000	53,000	159,000
SEC registration and legal research fee	1,325,625	—	1,325,725
SEC listing fee	2,525	—	2,525
PSE Filing fee (inclusive of VAT)	3,360,000	—	3,300,050
Legal fees (excluding OPE)	3,500,000	—	1,711,217
Stock Transfer and Receiving Agent fee	225,000	—	550,000
Insurance Commission processing fee	10,100	—	10,100
Audit fees	3,300,000	—	4,693,071
Other miscellaneous expenses (signing, publicity, etc.)	50,000	—	99,027
Subtotal	₱31,879,250	₱10,053,000	₱60,882,404
Estimated Net proceeds for the Offer	₱1,968,120,750	₱989,947,000	
Net proceeds for the Offer		₱2,958,067,750	₱2,939,117,596
Capital Expenditures and Project Related Expenses			₱2,939,117,596
Balance of proceeds as of September 30, 2022			₱—

SCHEDULE M**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SCHEDULE OF BONDS PROCEEDS****DECEMBER 31, 2022****₱3.0 BILLION BONDS DUE ON 2024**

Use of Proceeds	ESTIMATED PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of Bonds	₱3,000,000,000	₱3,000,000,000
Less: Upfront fees		
SEC registration and legal research fee	1,325,625	1,325,625
Underwriting fees	22,500,000	22,500,000
DST	22,500,000	22,500,000
Estimated Professional and Agency Fees	9,343,100	14,306,538
Listing application fees	100,000	100,000
Other Miscellaneous expense	50,000	44,837
Subtotal	₱55,818,725	₱60,777,000
Net proceeds	₱2,944,181,275	₱2,939,223,000

Balance of Proceeds as of December 31, 2022**NIL**

Century Properties Group, Inc. raised from the Bonds gross proceeds of ₱3.0 billion. After issue-related expenses, actual net proceeds amounted to approximately ₱2.94 billion were used to partially repay existing obligations of the Company, and partially finance capital expenditures of vertical project development and other corporate fund requirements.

₱3.0 BILLION BONDS DUE ON 2027

Use of Proceeds	ESTIMATED PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of Bonds	₱3,000,000,000	₱3,000,000,000
Less: Upfront fees		
SEC registration and legal research fee	1,325,625	1,325,625
Underwriting fees	22,500,000	22,500,000
DST	22,500,000	22,500,000
Estimated Professional and Agency Fees	9,343,100	23,436,549
Listing application fees	100,000	100,000
Other Miscellaneous expense	50,000	44,837
Subtotal	₱55,818,725	₱69,907,011
Net proceeds	₱2,944,181,275	₱2,930,092,989

Balance of Proceeds as of December 31, 2022**NIL**

Century Properties Group, Inc. raised from the Bonds gross proceeds of ₱3.0 billion. After issue-related expenses, actual net proceeds amounted to approximately ₱2.93 billion were used to partially repay existing obligations of the Company, and partially finance capital expenditures of vertical project development and other corporate fund requirements.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

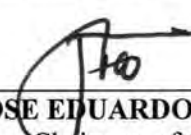
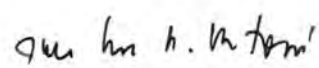
The management of **Century Properties Group Inc. and Subsidiaries** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein for the nine-month periods ended September 30, 2025 and 2024 and year ended December 31, 2024 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has reviewed the financial statements of the Group in accordance with Philippine Standards on Review Engagement 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.


JOSE EDUARDO B. ANTONIO
Chairman of the Board
JOSE MARCO R. ANTONIO
President and CEO
RODEL V. MARQUESES
Chief Finance Officer

Signed this 2nd day of December 2025

SUBSCRIBED AND SWORN to before me this DEC 02 2025 day of 2025 affiants exhibiting to me their Passport Numbers, as follows:

Jose E.B. Antonio
Jose Marco R. Antonio
Rodel V. Marqueses

Passport No. P3568592A
Passport No. P2695556B
PRO Reg. No. 0115537

Doc. No. 106 :
Page No. 23 :
Book No. II :
Series of 2025.

RACEL C. MACAPAGAL
Appointment No. M-324
Notary Public for Makati City
Until 31 December 2026
23rd Floor, Century Diamond Tower, Century City,
Kalayaan Avenue corner Salamanca Street,
Barangay Poblacion, Makati City
Roll of Attorneys No. 81516
IBP No. 506731, 1/14/25
PTR No. MKT-10467532, 1/2/25, Makati City
MCLE Compliance No. VIII-0029683 valid until April 14, 2028

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Stockholders and the Board of Directors
Century Properties Group Inc.
35/F Century Diamond Tower, Century City
Kalayaan Ave. cor. Salamanca St.
Poblacion, Makati City

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Century Properties Group, Inc. and its subsidiaries as at September 30, 2025, which comprise the interim consolidated statement of financial position as at September 30, 2025 (with comparative figures as of December 31, 2024) and the related interim consolidated statements of comprehensive income, changes in equity and cash flows for the nine-month periods ended September 30, 2025 and 2024, and explanatory notes to unaudited interim condensed consolidated financial statements. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Philippine Accounting Standard 34, *Interim Financial Reporting* (PAS 34). Our responsibility is to express a conclusion on these unaudited interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with Philippine Standards on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Philippine Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unaudited interim condensed consolidated financial statements of Century Properties Group Inc. and its subsidiaries as at September 30, 2025 and for the nine-month periods ended September 30, 2025 and 2024, are not prepared, in all material respects, in accordance with PAS 34.

SYCIP GORRES VELAYO & CO.



Ma. Emilita L. Villanueva

Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-159-2024, October 2, 2024, valid until October 1, 2027

PTR No. 10465405, January 2, 2025, Makati City

December 2, 2025



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION
(With Comparative Audited Figures as at December 31, 2024)

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 6)	₱2,882,312,112	₱4,175,107,957
Short-term investments (Note 7)	5,247,137	5,195,169
Receivables (Note 8)	13,822,705,489	11,453,579,631
Real estate inventories (Note 9)	19,565,097,534	17,194,279,164
Advances to suppliers and contractors (Note 10)	1,930,065,494	1,629,826,746
Due from related parties (Note 18)	1,278,605,704	1,357,799,701
Other current assets (Note 15)	2,428,353,535	1,961,793,756
Total Current Assets	41,912,387,005	37,777,582,124
Noncurrent Assets		
Noncurrent portion of installment contracts receivable (Note 8)	1,272,421,996	1,062,900,379
Deposits for purchased land (Note 11)	1,296,291,976	1,171,792,500
Investments in and advances to joint ventures and an associate (Note 12)	278,094,963	277,742,963
Investment properties (Note 13)	11,508,619,160	11,414,768,257
Property and equipment (Note 14)	3,257,346,188	3,157,400,444
Deferred tax assets (Note 28)	290,290,568	82,710,580
Other noncurrent assets (Note 15)	1,037,430,857	924,962,702
Total Noncurrent Assets	18,940,495,708	18,092,277,825
TOTAL ASSETS	₱60,852,882,713	₱55,869,859,949
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Note 16)	₱11,054,540,387	₱7,759,424,714
Contract liabilities (Note 17)	3,872,193,772	5,567,259,578
Due to related parties (Note 18)	69,954,422	70,410,781
Short-term debts (Note 19)	370,000,000	962,878,827
Current portion of:		
Long-term debt (Note 19)	1,932,625,014	1,264,264,639
Bonds payable (Note 20)	692,960,000	–
Liability from purchased land (Note 21)	50,000,000	2,999,083
Lease liability (Note 29)	10,548,850	–
Income tax payable	225,021,484	139,891,643
Other current liabilities (Note 30)	34,482,934	41,543,840
Total Current Liabilities	18,312,326,863	15,808,673,105
Noncurrent Liabilities		
Noncurrent portion of:		
Long-term debt (Note 19)	9,439,587,503	8,709,402,078
Bonds payable (Note 20)	5,241,821,304	5,907,403,193
Liability from purchased land (Note 21)	676,088,682	–
Lease liability (Note 29)	56,547,768	–
Retirement benefit obligation (Note 27)	324,086,402	300,681,304
Deferred tax liabilities (Note 28)	2,291,861,618	1,713,009,225
Other noncurrent liabilities (Note 30)	986,806,529	1,250,129,793
Total Noncurrent Liabilities	19,016,799,806	17,880,625,593
Total Liabilities	₱37,329,126,669	₱33,689,298,698

(Forward)



	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Equity		
Common stock - ₱0.53 par value		
Authorized - 15,000,000,000 shares		
Issued - 11,699,723,690 shares	₱6,200,853,553	₱6,200,853,553
Preferred stock - ₱0.53 par value		
Authorized - 3,000,000,000 shares		
Issued - 20,000,000 shares (Note 23)	10,600,000	10,600,000
Additional paid-in capital (Note 23)	4,491,448,948	4,491,448,948
Treasury shares - 100,123,000 common shares (Note 23)	(109,674,749)	(109,674,749)
Retained earnings (Note 23)	12,830,095,494	11,486,900,701
Remeasurement income on retirement benefit obligation	20,384,170	20,384,170
Other components of equity (Note 23)	25,868,234	25,868,234
Total Equity Attributable to Equity Holders of the Parent Company	23,469,575,650	22,126,380,857
Non-controlling interest (Note 23)	54,180,394	54,180,394
Total Equity	23,523,756,044	22,180,561,251
TOTAL LIABILITIES AND EQUITY	₱60,852,882,713	₱55,869,859,949

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the Quarter Ended September 30		For the Nine-Month Periods Ended September 30	
	2025	2024	2025	2024
REVENUES				
Revenue from contracts with customers:				
Real estate sales (Note 31)	₱4,347,803,954	₱3,126,428,628	₱11,129,626,569	₱9,303,036,592
Leasing revenue (Note 13)	146,593,501	234,722,727	619,706,031	899,324,784
Property management fee and other services (Note 31)	135,893,518	121,833,893	400,162,885	320,517,932
Hotel revenue	30,055,490	17,843,925	91,957,745	69,560,845
Interest income from real estate sales	15,721,483	32,972,910	70,423,538	97,888,638
	4,676,067,946	3,533,802,083	12,311,876,768	10,690,328,791
COST OF SALES AND SERVICES				
Cost of real estate sales (Note 9)	2,013,604,050	1,470,184,592	5,855,420,866	4,922,489,389
Cost of leasing (Note 13)	47,116,441	55,430,857	220,484,098	290,217,012
Cost of services	70,730,114	72,378,806	260,817,545	235,418,962
	2,131,450,605	1,597,994,255	6,336,722,509	5,448,125,363
GROSS PROFIT	2,544,617,341	1,935,807,828	5,975,154,259	5,242,203,428
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES (Note 24)	1,101,894,357	886,815,662	3,113,241,516	2,611,469,023
OTHER INCOME (EXPENSES)				
Interest and other income (Note 25)	331,530,412	399,898,067	997,579,661	918,080,192
Gain (loss) from changes in fair value of investment properties (Note 13)	26,806,345	(129,400,267)	26,806,345	(129,400,267)
Share in net earnings of joint ventures and an associate (Note 12)	352,000	335,000	352,000	335,000
Interest and other financing charges (Note 26)	(378,884,276)	(420,467,405)	(1,058,946,449)	(1,091,951,025)
	(20,195,519)	(149,634,605)	(34,208,443)	(302,936,100)
INCOME BEFORE INCOME TAX	1,422,527,465	899,357,561	2,827,704,300	2,327,798,305
PROVISION FOR INCOME TAX (Note 28)	541,093,952	203,886,941	723,012,677	558,636,207
NET INCOME	881,433,513	695,470,620	2,104,691,623	1,769,162,098
OTHER COMPREHENSIVE INCOME				
Item that will not be reclassified to profit or loss in subsequent periods:				
Remeasurement income in defined benefit plan - net of deferred tax (Note 27)	—	—	—	—
TOTAL COMPREHENSIVE INCOME	₱881,433,513	₱695,470,620	₱2,104,691,623	₱1,769,162,098
Net income attributable to:				
Equity holders of the Parent Company (Note 23)	₱881,433,513	₱695,470,620	₱2,104,691,623	₱1,769,162,098
Non-controlling interests (Note 23)	—	—	—	—
	₱881,433,513	₱695,470,620	₱2,104,691,623	₱1,769,162,098
Total comprehensive income attributable to:				
Equity holders of the Parent Company (Note 23)	₱881,433,513	₱695,470,620	₱2,104,691,623	₱1,769,162,098
Non-controlling interests (Note 23)	—	—	—	—
	₱881,433,513	₱695,470,620	₱2,104,691,623	₱1,769,162,098
Basic/diluted earnings per share (Note 23)	₱0.073	₱0.057	₱0.172	₱0.143
Dividend per share	₱0.053	₱0.040	₱0.093	₱0.040

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024

	Total Equity Attributable to Equity Holders of the Parent Company									
	Capital Stock	Preferred Shares	Additional Paid-in Capital	Treasury Shares	Retained Earnings	Remeasurement Gain (Loss) on Defined Benefit Plan	Other Components of Equity	Total	Non-controlling Interest	Total
At January 1, 2025	₱6,200,853,553	₱10,600,000	₱4,491,448,948	(₱109,674,749)	₱11,486,900,701	₱20,384,170	₱25,868,234	₱22,126,380,857	₱54,180,394	₱22,180,561,251
Movements for the nine-month period ended September 30, 2025:										
Total comprehensive income	—	—	—	—	2,104,691,623	—	—	2,104,691,623	—	2,104,691,623
Cash dividends (Note 22)	—	—	—	—	(761,496,830)	—	—	(761,496,830)	—	(761,496,830)
At September 30, 2025	₱6,200,853,553	₱10,600,000	₱4,491,448,948	(₱109,674,749)	₱12,830,095,494	₱20,384,170	₱25,868,234	₱23,469,575,650	₱54,180,394	₱23,523,756,044
At January 1, 2024	₱6,200,853,553	₱15,900,000	₱5,524,776,889	(₱3,109,674,749)	₱9,621,178,221	(₱4,107,070)	₱28,156,382	₱18,277,083,226	₱54,180,394	₱18,331,263,620
Movements for the nine-month period ended September 30, 2024:										
Total comprehensive income	—	—	—	—	1,769,162,098	—	—	1,769,162,098	—	1,769,162,098
Cash dividends (Note 22)	—	—	—	—	(576,808,840)	—	—	(576,808,840)	—	(576,808,840)
Issuance of preferred shares (Note 23)	—	10,600,000	1,950,772,059	—	—	—	—	1,961,372,059	—	1,961,372,059
Retirement of preferred shares (Note 23)	—	(15,900,000)	(2,984,100,000)	3,000,000,000	—	—	—	—	—	—
At September 30, 2024	₱6,200,853,553	₱10,600,000	₱4,491,448,948	(₱109,674,749)	₱10,813,531,479	(₱4,107,070)	₱28,156,382	₱21,430,808,543	₱54,180,394	₱21,484,988,937

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine-Month Periods Ended September 30	
	2025 (Unaudited)	2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱2,827,704,300	₱2,327,798,305
Adjustments for:		
Interest and other financing charges (Note 26)	1,058,946,449	1,091,951,025
Depreciation and amortization (Notes 14 and 24)	174,155,150	85,989,338
Retirement expense (Note 27)	36,480,141	37,492,881
Net loss (gain) from changes in fair value of investment properties (Note 13)	(26,806,345)	129,400,267
Interest from cash and cash equivalents and short-term investment (Notes 6, 7, and 25)	(44,467,860)	(94,215,270)
Interest income from real estate sales	(70,423,538)	(97,888,638)
Operating income before working capital changes	3,955,588,297	3,480,527,908
Decrease (increase) in:		
Receivables	(2,673,104,104)	(1,546,622,311)
Real estate inventories	(1,544,229,164)	418,015,377
Advances to suppliers and contractors	(300,238,748)	48,765,257
Other assets	(568,484,325)	(740,298,034)
Increase (decrease) in:		
Liability from purchased land	(2,999,083)	(26,195,986)
Accounts and other payables	3,135,267,478	1,732,710,432
Contract liabilities	(1,695,065,806)	1,197,487,850
Other liabilities	(129,617,696)	(228,607,540)
Cash generated from operations	177,116,849	4,335,782,953
Interest received (Notes 6, 7 and 25)	44,415,892	94,215,270
Interest and other financing costs paid (Notes 19, 20 and 26)	(1,019,600,393)	(1,041,521,759)
Income taxes paid	(266,610,431)	(530,689,480)
Retirement benefits paid	(13,075,043)	—
Net cash provided by (used in) operating activities	(1,077,753,126)	2,857,786,984
CASH FLOWS FROM INVESTING ACTIVITIES		
Advances made to related parties (Note 18)	79,193,997	—
Collections of (additions to):		
Investment properties (Note 13)	(49,882,843)	—
Additions of property and equipment (Note 14)	(191,844,797)	(117,712,452)
Intangible assets	(18,694,286)	(1,237,470)
Short-term investment	—	13,062,848
Payments for deposits for purchased land (Note 11)	(225,000,000)	—
Net cash used in investing activities	(406,227,929)	(105,887,074)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash advances made to related parties	(456,359)	(70,348,407)
Receipts from deposits for preferred shares of a subsidiary (Note 30)	6,951,977	14,628,802
Proceeds from:		
Availment of short-term and long-term debt (Note 19)	2,891,913,160	5,274,393,438
Issuance of preferred shares (Note 23)	—	2,000,000,000
Payments of:		
Short-term and long-term debt (Note 19)	(2,098,214,132)	(5,254,043,067)
Cash dividends (Note 22)	(601,653,583)	(353,625,224)
Lease liabilities (Note 29)	(7,355,853)	(11,927,945)
Preferred shares issuance cost	—	(18,649,236)
Bonds payable (Note 20)	—	(3,000,000,000)
Deferred financing cost	—	(57,221,386)
Net cash provided by (used in) financing activities	191,185,210	(1,476,793,025)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,292,795,845)	1,275,106,885
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD (Note 6)	4,175,107,957	3,543,351,959
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 6)	₱2,882,312,112	₱4,818,458,844

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Century Properties Group Inc. (the Parent Company or CPGI), a publicly-listed company, was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on May 6, 1975. The Parent Company is a 64.75%-owned subsidiary of Century Properties Inc. (the Ultimate Parent or CPI) and the rest by the public. CPGI and its subsidiaries (collectively referred to hereinafter as the “Group”) is primarily engaged in the development and construction of residential and commercial real estate projects.

The registered office address of the Parent Company is 35/F, Century Diamond Tower, Century City, Kalayaan Ave. cor. Salamanca St., Poblacion, Makati City.

Investment from Social Security System (SSS)

On July 17, 2025, SSS acquired a strategic stake in CPGI through a block sale. CPI sold 740,740,741 common shares, with a transaction value of ₱500.00 million, to SSS which represents about 6.39% ownership in CPGI. SSS acquired the shares at a 4.93% discount to CPGI’s current market price as of the transaction date.

Business Combination under Common Control

In August 2024, the Board of Directors (BOD) of PHirst Park Homes Inc. (PPHI) and Century Limitless Corporation (CLC), both wholly-owned subsidiaries of CPGI, approved PPHI’s acquisition of all outstanding capital stock of Century PHirst Corporation (CPC) from CLC. The acquisition was completed in November 2024 for a total consideration of ₱924.00 million. The consideration transferred approximates the carrying amount of the net assets of CPC at the time of transfer.

On July 31, 2025, the SEC approved the merger of CPC with PPHI, with the latter as the surviving entity. The transaction has been accounted as transaction involving entities under common control. The transaction has no significant impact on the unaudited interim condensed consolidated financial statements.

Approval of the Interim Condensed Consolidated Financial Statements

The interim condensed consolidated financial statements as at September 30, 2025 and for the nine-month periods ended September 30, 2025 and 2024 were approved and authorized for issue by the Board of Directors (BOD) on December 2, 2025.

2. Basis of Preparation, Statement of Compliance and Changes in Accounting Policies

Basis of Preparation

The accompanying unaudited interim condensed consolidated financial statements of the Group have been prepared using the historical cost basis except for investment properties that have been measured at fair value.

The unaudited interim condensed consolidated financial statements are presented in Philippine Peso (₱), which is the functional currency of the Parent Company and its subsidiaries. All amounts are rounded off to the nearest ₱, except when otherwise indicated.



The unaudited interim condensed consolidated financial statements provide comparative information in respect of the previous period.

The unaudited interim condensed consolidated financial statements of the Group have been prepared for inclusion in a prospectus in relation to a planned capital-raising activity.

Statement of Compliance

The unaudited interim condensed financial statements of the Group as at September 30, 2025 and for the nine-month periods ended September 30, 2025 and 2024 have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual audited consolidated financial statements, and should be read in conjunction with the Group's annual audited consolidated financial statements as at December 31, 2024, which have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis of Consolidation

The unaudited interim condensed consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries. For the nine-month periods ended September 30, 2025 and 2024, there were no significant changes in the Parent Company's ownership interests in its subsidiaries.

New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the Group's interim condensed consolidated financial statements are consistent with those of the previous financial year, except for the adoption of Amendments to PAS 21, *Lack of Exchangeability*, which became effective in 2025. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When applying the amendments, an entity cannot restate comparative information. The adoption of these amendments did not have any impact on the interim condensed consolidated financial statements of the Group.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3. Changes in Significant Judgments and Estimates

The significant accounting judgments, estimates and assumptions used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements as at and for the year ended December 31, 2024.

4. Cyclicity of Operations

The Group is involved in a cyclical industry and is 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 in 2008. 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 Group.

To mitigate this risk, the Group has diversified its revenue sources by expanding into leasing, hospitality, affordable and premium housing developments, and property management services. The Group has also broadened its geographic footprint by growing its developments – particularly its affordable house-and-lot projects – across various regions in the Philippines.

5. Segment Information

Business segment information is reported on the basis that is used internally for evaluating segment performance and deciding how to allocate resources among operating segments. Accordingly, the segment information is reported based on the nature of service the Group is providing.

The segments where the Group operate follow:

- Real estate development - sale of high-end, upper middle-income and affordable residential lots and units and lease of residential developments;
- Property and hotel management - facilities management of the residential and corporate developments of the Group and other third-party projects, including provision of technical and related consultancy services, rental of hotel rooms, food and beverage sales, and other service revenue;
- Leasing - lease of the Group's retail mall, offices and medical office.

Segment performance is evaluated based on net income after tax and is measured consistently with net income after tax in the unaudited interim consolidated statements of comprehensive income.

The following tables present revenue and profit information for the Group's operating segments for the nine months ended September 30, 2025 and 2024, respectively:

For the Nine-month Period Ended September 30, 2025					
	Real Estate Development	Leasing	Hotel and Property Management	Adjustments and Elimination	Consolidated
Revenue	₱11,200,050,107	₱716,640,366	₱492,120,630	(₱96,934,335)	₱12,311,876,768
<i>Costs and expenses</i>					
Cost of real estate sales and services	5,855,420,866	220,484,098	260,817,545	–	6,336,722,509
General, administrative and selling expenses	3,147,449,874	95,128,982	202,545,786	(331,883,126)	3,113,241,516
Operating income	2,197,179,367	401,027,286	28,757,299	234,948,791	2,861,912,743
Other income	2,872,512,229	221,164,666	468,135	(2,069,407,024)	1,024,738,006
Other expense	(579,784,003)	(440,224,246)	962,131	(39,900,331)	(1,058,946,449)
Income before income tax	4,489,907,593	181,967,706	30,187,565	(1,874,358,564)	2,827,704,300
Provision for income tax	678,537,532	36,928,254	7,546,891	–	723,012,677
Net income	₱3,811,370,061	₱145,039,452	₱22,640,674	(₱1,874,358,564)	₱2,104,691,623
Net income attributable to:					
Owners of the Parent Company	₱3,811,370,061	₱145,039,452	₱22,640,674	(₱1,874,358,564)	₱2,104,691,623
Non-controlling interests	–	–	–	–	–
	₱3,811,370,061	₱145,039,452	₱22,640,674	(₱1,874,358,564)	₱2,104,691,623



For the Nine-Month Period Ended September 30, 2024					
	Real Estate Development	Leasing	Hotel and Property Management	Adjustments and Elimination	Consolidated
Revenue	₱9,400,925,230	₱928,386,655	₱390,078,777	(₱29,061,871)	₱10,690,328,791
Costs and expenses					
Cost of real estate sales and services	4,922,489,389	290,217,012	235,418,962	—	5,448,125,363
General, administrative and selling expenses	2,610,167,326	74,709,991	99,657,993	(173,066,287)	2,611,469,023
Operating income	1,868,268,515	563,459,652	55,001,822	144,004,416	2,630,734,405
Other income	2,442,631,750	110,270,546	6,431,596	(1,640,918,700)	918,415,192
Other expense	(811,333,937)	(415,731,829)	(93,955)	5,808,429	(1,221,351,292)
Income before income tax	3,499,566,328	257,998,369	61,339,463	(1,491,105,855)	2,327,798,305
Provision for income tax	653,983,753	78,509,971	15,334,866	(189,192,383)	558,636,207
Net income (loss)	₱2,845,582,575	₱179,488,398	₱46,004,597	(₱1,301,913,472)	₱1,769,162,098
Net income attributable to:					
Owners of the Parent Company	₱2,845,582,575	₱179,488,398	₱46,004,597	(₱1,301,913,472)	₱1,769,162,098
Non-controlling interests	—	—	—	—	—
	₱2,845,582,575	₱179,488,398	₱46,004,597	(₱1,301,913,472)	₱1,769,162,098

The following table presents assets and liabilities information for the Group's operating segments as at September 30, 2025 and December 31, 2024, respectively:

As of September 30, 2025					
	Real Estate Development	Leasing	Hotel and Property Management	Adjustments and Elimination	Consolidated
Segment assets	₱71,769,825,155	₱18,515,964,765	₱1,404,303,628	(₱31,127,501,403)	₱60,562,592,145
Deferred tax assets	261,155,387	—	19,130,671	10,004,510	290,290,568
Total Assets	₱72,030,980,542	₱18,515,964,765	₱1,423,434,299	(₱31,117,496,893)	₱60,852,882,713
Segment liabilities	₱47,077,406,752	₱6,398,224,878	₱1,391,705,820	(₱19,830,072,399)	₱35,037,265,051
Deferred tax liabilities	1,580,388,640	860,200,770	—	(148,727,792)	2,291,861,618
Total Liabilities	₱48,657,795,392	₱7,258,425,648	₱1,391,705,820	(₱19,978,800,191)	₱37,329,126,669

As of December 31, 2024					
	Real Estate Development	Leasing	Hotel and Property Management	Adjustments and Elimination	Consolidated
Segment assets	₱67,669,442,272	₱18,515,964,765	₱1,446,915,915	(₱31,845,173,583)	₱55,787,149,369
Deferred tax assets	53,575,399	—	19,130,671	10,004,510	82,710,580
Total Assets	₱67,723,017,671	₱18,515,964,765	₱1,466,046,586	(₱31,835,169,073)	₱55,869,859,949
Segment liabilities	₱43,788,544,102	₱6,398,224,878	₱1,391,705,820	(₱19,602,185,327)	₱31,976,289,473
Deferred tax liabilities	1,001,536,248	860,200,770	—	(148,727,793)	1,713,009,225
Total Liabilities	₱44,790,080,350	₱7,258,425,648	₱1,391,705,820	(₱19,750,913,120)	₱33,689,298,698

6. Cash and Cash Equivalents

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Cash on hand and in banks	₱2,591,023,606	₱3,470,404,453
Cash equivalents	291,288,506	704,703,504
	₱2,882,312,112	₱4,175,107,957

Cash in banks earns interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are made for varying periods of up to three (3) months depending on the immediate cash requirements of the Group and earn interest at prevailing short-term rates ranging from 2.40% to 5.75% in 2025 and 3.00% to 5.85% in 2024.



Interest income earned from cash and cash equivalents amounted to ₱44.32 million and ₱94.09 million for the nine-month periods ended September 30, 2025 and 2024, respectively (see Note 25).

7. Short-term Investments

As of September 30, 2025 and December 31, 2024, total short-term investments amounted to ₱5.25 million and ₱5.20 million, respectively. Short-term investments include money market placements exceeding 3 months but less than one year. Short-term investments earn at prevailing short-term deposit rates ranging from 5.55% to 5.75% in 2025 and 4.31% to 5.85% in 2024.

Interest income in short-term investments amounted to ₱0.15 million and ₱0.13 million for the nine-month periods ended September 30, 2025 and 2024, respectively (see Note 25).

8. Receivables

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade receivables		
Installment Contract Receivables (ICR)	₱13,552,728,711	₱11,401,069,154
Leasing receivable	306,615,967	194,633,767
Management fees	263,302,648	261,918,483
Receivable from employees and agents	443,421,848	352,057,580
Advances to customers	208,373,074	122,766,331
Advances to condominium corporations	121,947,660	71,145,842
Other receivables	262,229,205	176,380,481
	15,158,619,113	12,579,971,638
Allowance for expected credit losses	(63,491,628)	(63,491,628)
	15,095,127,485	12,516,480,010
Non-current portion of ICR	(1,272,421,996)	(1,062,900,379)
	₱13,822,705,489	₱11,453,579,631

Receivable financing

The Group entered into various agreements with a local bank whereby the Group assigned its ICRs and contract assets with recourse at weighted average interest rates ranging from 6.00% to 8.00% and 7.00% to 7.75% as of September 30, 2025 and December 31, 2024, respectively (see Note 19). The assignment agreements provide that the Group will substitute defaulted CTS with other CTS of equivalent value.

The Group still retains the assigned receivables in the receivables account and records the proceeds from these sales as long-term debt (see Note 19). The gross amount of ICRs used as collateral amounted to ₱840.27 million and ₱336.34 million as of September 30, 2025 and December 31, 2024, respectively (see Note 19).



9. Real Estate Inventories

This account represents the real estate projects for which the Group has been granted license to sell by the Housing and Land Use Regulatory Board of the Philippines. This account also includes parcels of land that the Group plans to construct and develop as residential or commercial property for sale in the ordinary course of business. The Group's inventories are recognized at cost.

Details of this account follow:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Condominium units	₱8,386,061,665	₱8,516,188,425
Residential house and lots	9,099,958,447	7,835,763,962
	17,486,020,112	16,351,952,387
Land held for future development	2,079,077,422	842,326,777
	₱19,565,097,534	₱17,194,279,164

A summary of the movement in lots, condominium and residential units for sale is set out below:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of year	₱16,351,952,387	₱17,101,649,728
Construction/development costs incurred	4,324,977,302	4,374,056,350
Transfer from land held for future development	2,664,511,289	2,382,585,850
Transfers to property and equipment (Note 14)	—	(723,189,039)
Cost of real estate sales	(5,855,420,866)	(6,783,150,502)
Balance at end of year	₱17,486,020,112	₱16,351,952,387

A summary of the movements in land held for future development is set out below:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of year	₱842,326,777	₱1,029,503,732
Land acquisitions and incidental cost	3,901,261,934	2,195,408,895
Transferred to condominium units and residential house and lots for sale	(2,664,511,289)	(2,382,585,850)
Balance at end of year	₱2,079,077,422	₱842,326,777

Real estate inventories recognized as "Cost of real estate sales" amounted to ₱5,855.42 million and ₱4,922.49 million for the nine-month periods ended September 30, 2025 and 2024, respectively.

In 2025, the Group purchased additional parcels of land in Palawan, Pampanga, Cavite and General Santos which will be developed into premium and affordable residential properties to be held for sale totaling to ₱3,901.26 million. The related deposits on purchased land amounting to ₱100.50 million and advances to landowners amounting to ₱250.00 million were applied against the related contract prices (see Notes 11 and 15).



In 2024, the Group purchased additional land in Batangas, Laguna and Pampanga which will be developed into a residential house and lot to be held for sale with amount totaling to ₱2,195.41 million.

Total liabilities for purchased land amounted to ₱726.09 million and ₱2.99 million as of September 30, 2025 and December 31, 2024, respectively (see Note 21).

The carrying values of real estate inventories mortgaged for trust receipts payables and bank loans amounted to ₱1,439.79 million and ₱2,173.41 million as of September 30, 2025 and December 31, 2024, respectively (see Note 19).

10. Advances to Suppliers and Contractors

Advances to suppliers and contractors amounting to ₱1,930.07 million and ₱1,629.83 million as of September 30, 2025 and December 31, 2024, respectively, are recouped and capitalized as part of inventories upon every progress billing payment depending on the percentage of accomplishment. These advances are intended for the construction of the Group's projects. The movement in advances to suppliers and contractors is primarily attributable to downpayments made for new projects, net of the recoupment of advances from suppliers' and contractors' progress billings.

11. Deposits for Purchased Land

This account consists of refundable deposits made to property owners for the acquisition of parcels of land in which the use is currently undetermined. Deposits for purchased land amounted to ₱1,296.29 million and ₱1,171.79 million as of September 30, 2025 and December 31, 2024, respectively.

In 2025, the Group purchased various parcels of land. As a result, the Group applied the related deposit for purchased land amounting to ₱100.50 million, as part of the payment for the purchased land (see Note 9).

In 2025 and 2024, the Group made additional deposits to property owners for the acquisitions of parcels of land located in Pampanga and Novaliches amounting to ₱225.00 million and ₱55.00 million, respectively.



12. Investment in and Advances to Joint Ventures and Associate

The Group's investments in joint ventures and associate are shown below:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Joint ventures:		
One Pacstar Realty Corporation	₱228,116,151	₱227,665,151
Two Pacstar Realty Corporation	41,978,912	42,077,912
Associate:		
Asian Breast Center	7,999,900	7,999,900
	₱278,094,963	₱277,742,963
Acquisition cost	₱404,033,094	₱404,033,094
Accumulated equity in net losses		
Balance at beginning of year	(123,235,131)	(123,654,924)
Share in net earnings	352,000	419,793
Balance at end of year	(122,883,131)	(123,235,131)
Allowance for impairment loss	(3,055,000)	(3,055,000)
	₱278,094,963	₱277,742,963

13. Investment Properties

The Group's investment properties consist of commercial properties currently being leased out. Commercial properties include office buildings and retail mall located in key cities and municipalities in the Philippines.

Movements in this account are as follows:

	September 30, 2025	December 31, 2024
Cost		
Balance at beginning of year	₱7,829,034,102	₱8,343,741,289
Building improvements	49,882,843	—
Transfer to property and equipment (Note 14)	—	(514,707,187)
	7,878,916,945	7,829,034,102
Change in fair value:		
Balance at beginning of year	3,585,734,155	4,078,167,801
Transfer to property and equipment (Note 14)	—	(533,509,489)
Gain from change in fair value of investment property	43,968,060	41,075,843
Balance at end of year	3,629,702,215	3,585,734,155
	₱11,508,619,160	₱11,414,768,257



For the nine-month periods ended September 2025 and 2024, the Group recognized leasing revenue from the use of the said real properties amounting to ₱619.71 million and ₱899.32 million, respectively, and incurred direct cost of leasing amounting to ₱220.48 million and ₱290.22 million, respectively, in relation to these investment properties.

The fair value of investment properties used as security for trust receipts payables and bank loans amounted to ₱7,549.82 million and ₱7,402.41 million as of September 30, 2025 and December 31, 2024, respectively (see Note 19).

In 2024, the Group's subsidiaries occupied certain portions of its leasable office space in Century Diamond Tower with a carrying amount of ₱1,048.22 million. Accordingly, this portion of the investment property was reclassified to property and equipment (see Note 14).

The Group recorded net gain from change in fair value of investment properties amounting to ₱26.81 million for the nine-month period ended September 30, 2025, and net loss from change in fair value of investment properties amounting to ₱129.40 million for the nine-month period ended September 30, 2024. Net gain or loss from changes in fair value of investment properties recognized in the interim condensed consolidated statements of comprehensive income represents the gain or loss from change in fair value of investment properties as presented in the rollforward above, adjusted for the effects of lease pre-terminations, lease incentives and rent levelization.

Investment properties are stated at fair value, which has been determined based on valuations performed by a SEC-accredited independent valuer as of September 30, 2025 and December 31, 2024.

For the Group's leasing properties, the Group adopted the discounted cash flow (DCF) analysis which considers the future cash flows from lease contracts. The fair value of the investment properties classified as buildings and land in the unaudited interim condensed consolidated financial statements is categorized within Level 3 of the fair value hierarchy.

The key assumptions used to determine the fair value of the investment properties and sensitivity analyses are as follows:

Property	Valuation technique	Significant unobservable inputs	Range	
			2025	2024
Land and Buildings	DCF	Discount rates for similar lease contracts, market rent levels, expected vacancy and expected maintenance.	Discount rate - 9.08% to 10.38%	Discount rate - 9.30% to 11.20%
			Market rent levels - ₱300 to ₱1,600/sqm per month	Market rent levels - ₱300 to ₱1,600/sqm per month
			Expected vacancy - 10% to 50%	Expected vacancy - 10% to 50%
			Expected maintenance - 1% to 5% of gross revenue	Expected maintenance - 1% to 5% of gross revenue

For DCF, significant increases (decreases) in estimated market rent levels and rent growth per annum in isolation would result in a significantly higher (lower) fair value of the investment properties. Significant increases (decreases) in the expected vacancy rate and discount rate in isolation would result in a significantly lower (higher) fair value.



14. Property and Equipment

The composition and movements of this account are as follows:

	September 30, 2025 (Unaudited)						Total
	Office Furniture and Equipment	Transportation Equipment	Leasehold Improvements	Construction Equipment	Land and Building	Right-of-use Assets (Note 29)	
Cost							
At January 1, 2025	₱271,198,822	₱63,523,198	₱134,054,495	₱434,060,220	₱2,971,130,283	₱—	₱3,873,967,018
Additions	47,933,815	9,108,392	42,509,801	92,292,789	—	74,452,471	266,297,268
At September 30, 2025	319,132,637	72,631,590	176,564,296	526,353,009	2,971,130,283	74,452,471	4,140,264,286
Accumulated Depreciation							
At January 1, 2025	201,594,849	55,210,420	96,292,783	273,529,341	89,939,181	—	716,566,574
Depreciation	22,547,071	2,376,607	15,606,981	69,898,374	46,615,932	9,306,559	166,351,524
At September 30	224,141,920	57,587,027	111,899,764	343,427,715	136,555,113	9,306,559	882,918,098
Net Book Values at							
September 30, 2025	₱94,990,717	₱15,044,563	₱64,664,532	₱182,925,294	₱2,834,575,170	₱65,145,912	₱3,257,346,188

	December 31, 2024 (Audited)						Total
	Office Furniture and Equipment	Transportation Equipment	Leasehold Improvements	Construction Equipment	Land and Building	Right-of-use Assets (Note 29)	
Cost							
At January 1, 2024	₱236,354,739	₱58,849,757	₱128,688,665	₱300,374,734	₱1,199,724,568	₱115,630,325	₱2,039,622,788
Additions	34,844,083	4,673,441	5,365,830	133,685,486	—	—	178,568,840
Disposal	—	—	—	—	—	(115,630,325)	(115,630,325)
Transfer from:	—	—	—	—	—	—	—
Real estate inventories (Note 9)	—	—	—	—	723,189,039	—	723,189,039
Investment properties (Note 13)	—	—	—	—	1,048,216,676	—	1,048,216,676
At December 31, 2024	271,198,822	63,523,198	134,054,495	434,060,220	2,971,130,283	—	3,873,967,018
Accumulated Depreciation							
At January 1, 2024	178,288,078	53,843,921	86,531,872	255,157,273	18,845,605	74,198,880	666,865,629
Depreciation	23,306,771	1,366,499	9,760,911	18,372,068	71,093,576	23,126,065	147,025,890
Disposal	—	—	—	—	—	(97,324,945)	(97,324,945)
At December 31	201,594,849	55,210,420	96,292,783	273,529,341	89,939,181	—	716,566,574
Net Book Values at							
December 31, 2024	₱69,603,973	₱8,312,778	₱37,761,712	₱160,530,879	₱2,881,191,102	₱—	₱3,157,400,444



Property and equipment include Land and Building that pertains to the following:

- 4 floors of office spaces occupied by the Group in Century Diamond Tower amounting to ₱1,048.22 million. The carrying value of the occupied portions, net of depreciation, amounted to ₱1,018.09 million and ₱1,035.18 million as of September 30, 2025 and December 31, 2024, respectively.
- In 2024, the Group, as approved by the BOD, decided to remove certain commercial units, storage spaces, and parking lots in its project development, Century Spire, from its inventory pool amounting to ₱723.19 million and to utilize these for the exclusive use of the Group. The carrying value of the property, net of depreciation, amounted to ₱707.37 million and ₱714.15 million as of September 30, 2025 and December 31, 2024, respectively.
- 152 CALC owned units in Novotel Suites Manila at Acqua 6 Tower of Acqua Private Residences amounting to ₱582.92 million and ₱597.31 million as of September 30, 2025 and December 31, 2024, respectively.
- The Pebble (four-storey waterfront clubhouse) of Acqua Private Residences, including the related parcel of land, amounted to ₱526.19 million and ₱534.55 million as of September 30, 2025 and December 31, 2024, respectively.

The depreciation and amortization from property and equipment recognized under general, administrative and selling expenses for the nine-month periods ended September 30, 2025 and 2024 amounted to ₱166.35 million and ₱85.99 million, respectively (see Note 24).

15. Other Assets

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Current:		
Input taxes	₱826,780,762	₱553,844,829
Creditable withholding taxes	747,093,057	611,799,087
Prepaid commissions	649,787,872	644,973,221
Rental deposit	92,907,688	90,036,776
Prepaid expenses	42,468,650	16,886,538
Prepaid insurance	19,450,371	19,374,581
Others	49,865,135	24,878,724
	₱2,428,353,535	₱1,961,793,756
Noncurrent:		
Creditable withholding taxes	₱765,017,349	₱419,142,788
Input taxes	142,893,817	92,736,208
Intangible assets	53,876,983	42,986,323
Prepaid commissions	29,871,374	73,597,060
Advances to landowners (Note 9)	9,024,174	259,024,174
Others	36,747,160	37,476,149
	₱1,037,430,857	₱924,962,702



Prepaid commissions pertain to capitalized commission expenses payable to its agents on the sale of its real estate projects related to contracts that have qualified for revenue recognition. These will be recognized as commission expense under “General, administrative and selling expenses” in the period in which the related real estate sales are recognized.

Input taxes are fully realizable and will be applied against output VAT.

Creditable withholding taxes are attributable to taxes withheld by third parties arising from real estate sale, property management fees and leasing revenues.

Advances to landowners include initial payment made by the Group, in accordance to its memorandum of agreement to acquire certain parcels of land to develop a residential resort property in the Municipality of San Vicente, Palawan. In September 2025, the Group executed a Deed of Absolute Sale to purchase the land for a total agreed consideration of ₱765.76 million to be settled partly in cash (i.e., application of advances amounting to ₱250.00 million) and through transfer of ownership over two floors of Century Spire, included as part of its inventory pool, with an assigned value of ₱515.76 million (see Note 9). The management concluded that the transfer of inventory units represents a sale in the ordinary course of business and establishes a vendor-customer relationship with the counterparty thus, the Group accounted for the transaction as a partial exchange of assets under PFRS 15, *Revenue from Contracts with Customers*.

Rental deposits mostly pertain to security deposits held and applied in relation to the Group’s lease contracts for its administrative and sales offices. The deposits are noninterest-bearing and are recoverable through application of rentals at the end of the lease term.

Intangible assets include software costs and trademarks. Software cost includes application software and intellectual property licenses owned by the Group.

16. Accounts and Other Payables

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Accounts payable	₱5,620,388,798	₱3,628,060,071
Customers’ advances	4,032,183,249	2,796,448,483
Retention payable	553,147,679	470,841,676
Accrued expenses		
Commissions	292,971,845	430,760,677
Taxes	130,482,383	268,149,130
Salaries	93,390,613	101,928,510
Interest	25,853,949	21,147,520
Others	8,403,005	16,644,656
Dividends payable (Note 22)	159,843,247	—
Other payables	137,875,619	25,443,991
	₱11,054,540,387	₱7,759,424,714



Accounts payable are attributable to the construction costs incurred by the Group. These are noninterest-bearing and with terms of 15 to 90 days.

Customers' advances pertain to funding from buyers of real estate for future application against transfer and registration fees and other taxes to be incurred upon transfer of properties to the buyer. The movement of customers' advances is mainly due to advance payment of buyers less fees incurred for the turned over properties.

Retention payable is noninterest-bearing and is normally settled on a 30-day term upon completion of the relevant contracts.

17. Contract Liabilities

Contract liabilities consist of collections from real estate customers which have not qualified for revenue recognition and excess of collections over the recognized receivables based on percentage of completion. The movement in contract liability is mainly due to reservation sales and advance payment of buyers less real estate sales recognized upon reaching the equity threshold and from increase in percentage of completion. As of September 30, 2025 and December 31, 2024, carrying values of contract liabilities amounted to ₱3,872.19 million and ₱5,567.26 million, respectively.

18. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.

Terms and Conditions of Transactions with Related Parties

The Group in their regular conduct of business has entered 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 at normal market prices. Outstanding balances at year-end are unsecured and noninterest-bearing. There have been no guarantees provided or received for any related party receivables or payables. Related party transactions are settled in cash.

The related party transactions are shown under the following accounts in the consolidated financial statements:



Due from Related Parties

	Outstanding balances		Amount of transactions		Terms and Conditions
	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	
Ultimate Parent	₱578,448,907	₱657,642,904	(₱79,193,997)	(₱208,968,026)	Noninterest bearing, due and demandable, unsecured, no impairment
Officers and stockholders Under common control	221,969,612	221,969,612	—	(9,007,540)	
Century Integrated Sales, Inc. (CISI)	450,659,309	450,659,309	—	—	
Century Group International Corp. (CGIC)	—	—	—	(77,093)	
Century Retail IT, Inc. (CRIT)	507	507	—	—	
Entity managed by a related party					
Century Asia Corp. (CAC)	27,527,369	27,527,369	—	9,608,607	
	₱1,278,605,704	₱1,357,799,701	(₱79,193,997)	(₱208,444,052)	

Due to Related Parties

	Outstanding balance		Amount of transaction		Terms and Conditions
	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	
Ultimate Parent	₱—	₱—	₱—	(₱243,861,878)	Noninterest bearing, due and demandable, unsecured
Century Group International Corp. (CGIC)	—	422,287	(422,287)	(34,073)	
Officers and stockholders	69,954,422	69,988,494	(34,072)	(69,790,361)	
	₱69,954,422	₱70,410,781	(₱456,359)	(₱313,686,312)	

Due from related parties pertains to advances provided by the Group to the stockholders and other affiliates. These are generally unsecured, noninterest-bearing, and are due and demandable and are not impaired.

Due to related parties pertains to advances made by the Group for the capital expenditure of the affiliates. These are generally noninterest bearing and are due and demandable.

Key management compensation

The key management personnel of the Group include all directors, executives, and senior management. The details of compensation and benefits of key management personnel recorded under “Salaries and wages” as part of “Operating Expenses” for the nine-month periods ended September 30, 2025 and 2024 follow:

	September 30, 2025	September 30, 2024
Short-term employee benefits	₱77,468,326	₱66,718,697
Post-employment benefits	12,500,000	10,000,000
	₱89,968,326	₱76,718,697



Terms and condition of transactions with related parties

There have been no guarantees provided or received for any related party receivables or payables. As of September 30, 2025 and December 31, 2024, the Group has not made any provision for probable losses relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

19. Short-term and Long-term Debt

Short-term Debts

The rollforward of the Group's short-term debts follows:

	September 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
	Trust receipts	Bank loans	Total	Trust receipts	Bank loans	Total
Beginning balance	₱378,827	₱962,500,000	₱962,878,827	₱25,664,471	₱766,000,000	₱791,664,471
Availments	—	410,000,000	410,000,000	—	1,688,000,000	1,688,000,000
Repayments	(378,827)	(1,002,500,000)	(1,002,878,827)	(25,285,644)	(1,491,500,000)	(1,516,785,644)
Ending balance	₱—	₱370,000,000	₱370,000,000	₱378,827	₱962,500,000	₱962,878,827

Trust receipts

Trust receipts (TRs) are facilities obtained from various banks to finance purchases of construction materials the Group's projects. The TRs have average interest rates ranging from 6.62% to 8.00% in 2024. These are paid monthly or quarterly in arrears with full payment of principal balance at maturity of one year and with an option to prepay. In 2025, the Group paid all its outstanding trust receipts.

Bank loans

Bank loans pertain to the following various short-term promissory note (PN) obtained by the Group:

Availment	Bank	As of September 30, 2025 (in millions)	As of December 31, 2024 (in millions)	Maturity	Interest Rate
February 2025	Philippine National Bank	₱370	₱—	Various maturities until February 2026	6.65%; Fixed payable upon maturity
February 2024	Chinabank Savings	—	12	Various maturities until February 2025	8.25%; Fixed payable upon maturity
On various dates from May 2024 to October 2024	Philippine National Bank	—	520	Various maturities until October 2025	6.72%; Fixed payable upon maturity
On various dates from December 2023 to March 2024	Philtrust Bank	—	415	Various maturities until May 2025	7.00%; Fixed payable upon maturity
February 2024	Bank of the Philippine Islands	—	15	January 2025	7.75%; payable monthly until maturity
		₱370	₱962		



Long-term Debts

As of September 30, 2025 and December 31, 2024, this account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Long-term debt:		
Bank loans	₱10,071,952,694	₱9,262,264,630
Payable under CTS financing	1,300,259,823	711,402,087
	11,372,212,517	9,973,666,717
Less current portion	1,932,625,014	1,264,264,639
Noncurrent portion	₱9,439,587,503	₱8,709,402,078

The roll-forward of the Group's long-term debt is as follows:

	September 30, 2025 (Unaudited)		
	Bank Loans	CTS Financing	Total
Principal:			
Balances at beginning of year	₱9,344,033,851	₱711,402,087	₱10,055,435,938
Availments	1,500,000,000	981,913,160	2,481,913,160
Payments	(702,279,881)	(393,055,424)	(1,095,335,305)
Balances at end of year	10,141,753,970	1,300,259,823	11,442,013,793
Deferred financing costs:			
Balances at beginning of year	81,769,221	—	81,769,221
Amortization	(11,967,945)	—	(11,967,945)
Balances at end of year	69,801,276	—	69,801,276
Carrying values	₱10,071,952,694	₱1,300,259,823	₱11,372,212,517

	December 31, 2024 (Audited)		
	Bank Loans	CTS Financing	Total
Principal:			
Balances at beginning of year	₱9,107,511,996	₱1,306,542,403	₱10,414,054,399
Availments	3,449,473,685	278,596,567	3,728,070,252
Payments	(3,212,951,830)	(873,736,883)	(4,086,688,713)
Balances at end of year	9,344,033,851	711,402,087	10,055,435,938
Deferred financing costs:			
Balances at beginning of year	61,820,767	—	61,820,767
Addition	57,221,386	—	57,221,386
Amortization	(37,272,932)	—	(37,272,932)
Balances at end of year	81,769,221	—	81,769,221
Carrying values	₱9,262,264,630	₱711,402,087	₱9,973,666,717

Bank Loans

Date of availment	Bank	As of September 30, 2025 (in millions)	As of December 31, 2024 (in millions)	Maturity	Interest Rate
September 2024	Chinabank Corporation	₱2,998	₱3,149	September 2029	7.82%, annual repricing, payable quarterly
December 2024 - September 2025	Chinabank Savings	1,360	195	December 2028	8.00% per annum and payable on a quarterly

(Forward)



Date of availment	Bank	As of September 30, 2025 (in millions)	As of December 31, 2024 (in millions)	Maturity	Interest Rate
November 2023	Chinabank Corporation	₱1,224	₱1,342	November 2028	8.06%, Fixed up to 2 years only; Repricing in November 2025
January 2023 September 2025	Development Bank of the Philippines	700	480	Various maturities until July 2026	8.21%-9.08%; Quarterly repricing
August and October 2022	Philippine National Bank	3,645	3,765	October 2027	7.39%; Fixed up to 2 years only; Quarterly repricing by August 2024
December 2022	Chinabank Savings	215	344	September 2026	8.50%; Annual repricing
May 2021	Security Bank Corporation	—	69	May 2025	4.65%; Annual repricing
		₱10,142	₱9,344		

Contract To Sell (CTS) financing

CTS financing pertains to loan facilities which were used in the construction of the Group's real estate development projects. The related PNs have terms ranging from twelve (12) to forty-eight (48) months and are secured by the buyer's post-dated checks, the corresponding CTS to the real estate inventories, and the related ICRs from the CTS. The Group retained the assigned ICRs and recorded the proceeds from these assignments as "Long-term debt". These CTS loans bear fixed interest rates ranging from 6.00% to 8.00% and 7.00% to 7.75% as September 30, 2025 and December 31, 2024, respectively (see Note 8).

Security and Debt Covenants

Certain bilateral, trust receipts, payables under CTS financing and bank loans have mortgaged real estate inventories and assigned ICRs and contract assets wherein such assets can no longer be allowed to be separately used as collateral for another credit facility, grant loans to directors, officers and partners, and act as guarantor or surety in favor of banks. As of September 30, 2025 and December 31, 2024, the carrying values (in millions) of these assets mortgaged for trust receipts, payables under CTS financing and bank loans are as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Investment properties (Note 13)	₱7,549.82	₱7,402.41
Real estate inventories (Note 9)	1,439.79	2,173.41
ICR (Note 8)	840.27	336.34

Certain bilateral loans have covenants to maintain a debt-to-equity ratio of not more than 2.33x and a debt service coverage ratio of at least 1.5x and current ratio of 1.2x. Debt includes note payables, short term and long-term debt. The bank loans have a covenant, specific to the projects it is financing, of having loan to security value of no more than 50% to 60%. Security value includes, among other things, valuation appraisal by independent appraisers and takes into account the sold and unsold sales and market value of the properties. The loan agreements require submission of the valuation of each mortgage properties on an annual basis or upon request of the facility agent.



As of September 30, 2025 and December 31, 2024, the Group complied with the provisions of its debt covenants.

Interest Expense and Other Finance Charges

Interest and other financing charges for the short-term and long-term debts for the nine-month periods ended September 30, 2025 and 2024 totaled to ₱696.47 million and ₱678.98 million, respectively (see Note 26).

20. Bonds Payable

This account consists of the following:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Principal		
Balances at the beginning of year	₱6,000,000,000	₱9,000,000,000
Repayment	—	(3,000,000,000)
	6,000,000,000	6,000,000,000
Deferred financing costs:		
Balances at the beginning of year	92,596,807	122,562,896
Amortization	(27,378,111)	(29,966,089)
Balances at the end of period	65,218,696	92,596,807
Carrying value	5,934,781,304	5,907,403,193
Less: Current portion	692,960,000	—
Non-current portion	₱5,241,821,304	₱5,907,403,193

Interest Expense and Other Finance Charges

Interest and other financing charges for the bonds payable for the nine-month periods ended September 30, 2025 and 2024 totaled to ₱293.80 million and ₱330.15 million, respectively (see Note 26).

Security and Debt Covenants

The Group's bonds payable have covenants to maintain a debt-to-equity ratio of not more than 2.00x, debt service coverage ratio of at least 1.5x and current ratio of 1.5x. As of September 30, 2025 and December 31, 2024, the Group complied with the provision of its debt covenant.

21. Liability from Purchased Land

This account pertains to the outstanding payable of the Group for the cost of land purchases recognized under "Real estate inventories" as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Current portion	₱50,000,000	₱2,999,083
Noncurrent portion	676,088,682	—
	₱726,088,682	₱2,999,083



In August 2025, the Group purchased additional land in Pampanga for a total consideration amounting to ₱776.09 million. The outstanding balance as of September 30, 2025 is net of the related deposit on land amounting to ₱50.00 million applied as payment (see Notes 9 and 11).

22. Dividend Declaration

The BOD of CPGI approved the following dividend declaration in 2025 and 2024:

<i>Dividend for:</i>	Date of Declaration	Total Amount of Dividends	Dividends per share/ Dividend rate	Shares Record Date	Date of Payment
Common Shares	June 16, 2025	₱488,505,583	₱0.042114	July 25, 2025	August 20, 2025
Common Shares	June 16, 2025	122,127,247	₱0.010529	September 25, 2025	October 22, 2025
Preferred Shares	January 21, 2025	37,716,000	7.5432%	February 5, 2025	February 24, 2025
Preferred Shares	January 21, 2025	37,716,000	7.5432%	April 25, 2025	May 22, 2025
Preferred Shares	January 21, 2025	37,716,000	7.5432%	July 28, 2025	August 22, 2025
Preferred Shares	January 21, 2025	37,716,000	7.5432%	October 28, 2025	November 24, 2025
2025		₱761,496,830			
Common Shares	June 26, 2024	₱278,193,224	₱0.023983	July 29, 2024	August 12, 2024
Common Shares	June 26, 2024	185,467,616	₱0.015989	September 30, 2024	October 14, 2024
Preferred Shares	April 4, 2024	37,716,000	7.5432%	April 25, 2024	May 22, 2024
Preferred Shares	July 15, 2024	37,716,000	7.5432%	July 29, 2024	August 22, 2024
Preferred Shares	July 15, 2024	37,716,000	7.5432%	October 28, 2024	November 22, 2024
2024		₱576,808,840			

23. Equity

Earnings per share

Basic/diluted earnings per share amounts attributable to equity holders of the Parent Company for the nine-month periods ended September 30, 2025 and 2024 are as follows:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Net income attributable to the owners of the Parent Company	₱2,104,691,623	₱1,769,162,098
Dividends to preferred shares for nine months	113,148,000	113,148,000
	1,991,543,623	1,656,014,098
Weighted average number of shares	11,599,600,690	11,599,600,690
Basic/diluted earnings per share	₱0.172	₱0.143

Basic earnings per share are calculated using the net income attributable to the equity holders of the Parent Company less dividend declared to preferred shares divided by the weighted average number of shares. No dilutive potential ordinary shares are outstanding as of September 30, 2025 and 2024.



Common shares

As of September 30, 2025 and December 31, 2024, the Parent Company's authorized capital stock and issued shares were 15,000.00 million shares and 11,699.72 million shares, respectively. There are no movements in the Parent Company's authorized and issued shares in 2025 and 2024.

As of September 30, 2025 and December 31, 2024, the Parent Company had 497 and 496 stockholders, respectively, with at least one board lot at the Philippine Stock Exchange (PSE), for a total of 11,599,600,690 (₱0.53 par value) issued and outstanding common shares.

Preferred stock

Century Properties Group, Inc. Preferred A Shares (CPGP)

On July 10, 2023, the Parent Company fully redeemed its ₱3.0 billion Cumulative, Non-Voting, Non-Convertible, Non-Participating, Redeemable Peso-denominated Preferred Shares ("CPGP"). The redemption price was the issue price of P100.00 per share, plus any accumulated unpaid cash dividends. The redemption of shares is treated as treasury shares recorded at cost.

On June 28, 2024, the BOD approved the retirement of the CPGP preferred shares that were classified as treasury shares. SEC approval on the retirement of CPGP preferred shares was received on October 29, 2024.

On June 11, 2025, the CPGP preferred shares were delisted from the Official Registry of the PSE.

Century Properties Group, Inc. Preferred B Shares (CPGPB)

On February 22, 2024, the Group listed and traded on the Main Board of The Philippine Stock Exchange, Inc. its 20,000,000 perpetual, cumulative, non-participating, non-voting, redeemable, non-convertible Series B Preferred Shares under the trading symbol "CPGPB" with an initial Dividend Rate of 7.5432% per annum at an Offer Price of Php100.00 per share. The preferred shares were offered to the public on February 6 to 13, 2024. The SEC approved the Group's application for the Primary Offer on January 5, 2024. The dividends on the preferred shares shall be paid quarterly, every February 22, May 22, August 22 and November 22 of each year.

The 20,000,000 preferred stock with a par value of ₱0.53 were fully subscribed totaling ₱10.60 million. Additional paid-in capital from preferred stock amounted ₱1,989.40 million and issuance cost totaled ₱38.63 million resulting in a net additional paid-in capital of ₱1,950.77 million. Total cash received from issuance of preferred shares amounted to ₱1,961.37 million.

Treasury shares

As of September 30, 2025 and December 31, 2024, treasury shares amounted to ₱109.67 million consisting of 100.12 million common shares.

Retained earnings

Retained earnings include the accumulated equity in undistributed net earnings of consolidated subsidiaries and associates, the balance of accumulated gains from fair value changes of investment properties, deferred tax assets and unrealized foreign exchange gains totaling to ₱11,530.99 million and ₱10,826.38 million as of September 30, 2025 and December 31, 2024, respectively. These are not available for dividend distribution unless declared by subsidiaries and other investees. Retained earnings are further restricted for the payment of dividends to the extent of the cost of treasury shares.

Other components of equity

Other components of equity mainly pertain to the differences between the consideration paid by / to a previous shareholder of certain subsidiaries and the net assets of these subsidiaries given up to / acquired from this shareholder during the past years.



Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong and healthy consolidated statement of financial position to support its current business operations and drive its expansion and growth in the future. The Group undertakes to establish the appropriate capital structure for each business line, to allow it sufficient financial flexibility, while providing it sufficient cushion to absorb cyclical industry risks.

The Group considers debt as a stable source of funding. The Group attempts to continually lengthen the maturity profile of its debt portfolio and makes it a goal to spread out its debt maturities by not having a significant percentage of its total debt maturing in a single year.

The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. It monitors capital using leverage ratios on both a gross debt and net debt basis. The Group is subject to externally imposed capital requirements from its bank loans which it has complied with as of September 30, 2025 and December 31, 2024.

Equity, which the Group considers as capital, pertains to the equity attributable to equity holders of the Parent Company excluding other components of equity and remeasurement gain on defined benefit plan, amounting to a total of ₱23,423.32 million and ₱22,080.13 million as of September 30, 2025 and December 31, 2024, respectively. No changes were made in the objectives, policies or processes for managing capital for the nine months period ended September 30, 2025 and for the year ended December 31, 2024.

24. General, Administrative and Selling Expenses

This account consists of:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Salaries, wages and employee benefits	₱679,536,784	₱543,840,220
Commission	640,261,932	714,866,578
Marketing and promotions	639,743,875	457,116,531
Outside services	210,821,843	73,276,948
Taxes and licenses	201,471,833	288,497,065
Depreciation and amortization (Note 14)	174,155,150	85,989,338
Entertainment, amusement and recreation	81,826,443	91,214,666
Professional fees	72,587,073	57,600,356
Repairs and maintenances	57,020,592	40,345,602
Supplies	55,511,515	42,625,353
Utilities	38,344,902	28,260,924
Transportation and travel	26,831,696	19,667,036
Communication	11,398,444	7,584,228
Rent	2,791,937	1,644,788
Miscellaneous	220,937,497	158,939,390
	₱3,113,241,516	₱2,611,469,023

Miscellaneous pertains mainly to supplies, business and research development, insurance and association dues and other fees for unsold units or units that are yet to be turned over.



25. Interest and Other Income

This account consists of:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Income from forfeited collections	₱324,817,689	₱308,334,764
Interest income from cash and cash equivalents and short-term investments (Notes 6 and 7)	44,467,860	94,215,270
Interest income from in-house financing	98,100,141	122,845,211
Other income	530,193,971	392,684,947
	₱997,579,661	₱918,080,192

Income from forfeited collections pertains to forfeited collections from reservation fees whose allowable period of completion has prescribed and terminated sales and lease contracts.

Other income mainly consists of penalties and other surcharges billed against defaulted installments from sales contracts. Real estate buyers are normally charged a penalty of 3.00% of the monthly installment for every month in arrears from the time the specific installment becomes due and payable.

26. Interest and Other Financing Charges

Details of this account follow:

	September 30, 2025	September 30, 2024
Interest expense (Notes 19, 20 and 29)	₱991,996,266	₱1,012,748,567
Other financing charges	66,950,183	79,202,458
	₱1,058,946,449	₱1,091,951,025

27. Retirement Costs

The Group has a funded, noncontributory, defined benefit pension plan covering substantially all of its regular employees. The benefits are based on the projected retirement benefit of 22.5 days' pay per year of service in accordance with Republic Act 7641. The benefits are based on current salaries and years of service and compensation on the last year of employment. An independent actuary conducts an actuarial valuation of the retirement benefit obligation using the projected unit credit method.

The plan assets as of September 30, 2025 and December 31, 2024 pertain solely to bank deposits. The Group does not expect to contribute to its retirement fund in 2025.

The Group recognized total retirement expense amounting to ₱36.48 million and ₱37.49 million for the nine-month periods ended September 30, 2025 and 2024, respectively. Retirement benefit obligation amounted to ₱324.09 million and ₱300.68 million as of September 30, 2025 and December 31, 2024, respectively.



28. Income Taxes

The provision for income tax consists of:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Current:		
RCIT/MCIT	₱342,846,700	₱576,871,899
Final	8,893,572	18,843,054
	351,740,272	595,714,953
Deferred	371,272,405	(37,078,746)
	₱723,012,677	₱558,636,207

The components of the Group's deferred tax assets and deferred tax liabilities are as follows:

	As of September 30, 2025 (Unaudited)	As of December 31, 2024 (Audited)
Recognized in the consolidated statements of comprehensive income:		
Deferred tax assets on:		
Effect of difference in accounting and tax base in real estate sales	₱266,914,957	₱61,029,583
Provisions for impairment losses	15,872,907	15,872,907
Accrued retirement costs	10,934,399	9,239,785
	293,722,263	86,142,275
Recognized directly in equity:		
Deferred tax liability on re-measurement loss on retirement obligation	(3,431,695)	(3,431,695)
	₱290,290,568	₱82,710,580

	As of September 30, 2025 (Unaudited)	As of December 31, 2024 (Audited)
Recognized in the consolidated statements of comprehensive income:		
Deferred tax assets on:		
NOLCO	₱51,974,526	₱66,284,443
Accrued retirement costs	49,252,255	41,706,367
MCIT	23,970,693	13,520,311
Provisions for impairment losses	7,965,223	7,965,223
Difference in accounting of PFRS 16	487,677	3,196,251
	133,650,374	132,672,595

(Forward)



	As of September 30, 2025 (Unaudited)	As of December 31, 2024 (Audited)
Deferred tax liabilities on:		
Fair value gains on investment properties	(P919,474,443)	(P912,772,857)
Effect of difference in accounting and tax base on real estate sales	(915,076,777)	(350,788,453)
Effect of difference in accounting and tax base on investment properties	(379,675,548)	(351,271,013)
Prepaid commissions	(169,914,812)	(179,642,570)
Unamortized deferred financing costs	(33,754,993)	(43,591,508)
Others	(2,475,835)	(2,475,835)
	(2,420,372,408)	(1,840,542,236)
Recognized directly in equity:		
Deferred tax liability on re-measurement loss on retirement obligation	(5,139,584)	(5,139,584)
	(P2,291,861,618)	(P1,713,009,225)

The above deferred tax assets and liabilities are presented in the consolidated statements of financial position as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Deferred tax assets	P290,290,568	P82,710,580
Deferred tax liabilities	2,291,861,618	1,713,009,225

29. Lease Liability

The Group has lease contracts for various office spaces with lease terms of two (2) to three (3) years. Rental due is based on prevailing market conditions. At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The Group made lease payments to the related leases amounted to P9.09 million and P15.55 million and recognized interest accretion amounted P1.73 million and P3.62 million for the nine-month periods ended September 30, 2025 and 2024, respectively.

In 2025, Century City Development Corporation (CCDC), a wholly-owned subsidiary CPG, entered into a five-year lease contract for office space. At the commencement date, the Group recognized a lease liability and a corresponding right-of-use (ROU) asset, both measured at the present value of lease payments to be made over the lease term, amounting to P74.45 million (see Note 14).



30. Other Current and Noncurrent Liabilities

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Current:		
Refundable deposits	₱33,102,007	₱31,413,201
Others	1,380,927	10,130,639
	₱34,482,934	₱41,543,840
Noncurrent:		
Liabilities to preferred shares	₱805,606,302	₱946,372,777
Refundable deposits	100,095,871	258,560,377
Retention payable	44,862,353	35,889,882
Others	36,242,003	9,306,757
	₱986,806,529	₱1,250,129,793

Liabilities to Preferred Shareholders of a Subsidiary

Total liabilities for preferred shares subscriptions received presented under financial statement caption “Other noncurrent liabilities” amounted to ₱805.61 million and ₱948.32 million as of September 30, 2025 and December 31, 2024, respectively.

Movements of issuances and cancellation of shares per Preferred Class are summarized in the table below.

Class of shares	Number of Shares				Total
	Preferred A shares	Preferred B shares	Preferred C shares	Preferred D shares	
Authorized shares	6,344	520	520	520	7,904
Par value in ₱	10	100	1,000	10,000	11,110
Number of shares at December 31, 2023	5,447	390	442	143	6,422
Subscription during 2024	—	—	—	—	—
Cancellation of shares	(260)	(13)	(39)	—	(312)
Number of shares at December 31, 2024	5,187	377	403	143	6,110
Cancellation of shares	(650)	(91)	(26)	(52)	(819)
Number of shares as at September 30, 2025	4,537	286	377	91	5,291

On various dates in 2025, certain investors surrendered their CALC preferred shares in exchange of residential properties in selected real estate developments of the Group, with all prior payments credited to the subject properties’ contract price and any excess refunded to the prior investors. The management concluded that the transfer of inventory units in exchange of CALC preferred shares represents a sale in the ordinary course of business and establishes a vendor-customer relationship with the counterparty thus, the Group accounted for the transaction as a partial exchange of assets under PFRS 15, *Revenue from Contracts with Customers*.



Advance Deposits and Refundable Deposits

Refundable deposits pertain to utilities and meter deposits, and security deposits collected from tenants which are refundable at the end of the lease contracts. The Group received refundable deposits and security deposits classified as “Other current liabilities” amounting to ₱33.10 million and ₱31.41 million and “Other noncurrent liabilities” amounting to ₱100.09 million and ₱258.56 million as of September 30, 2025 and December 31, 2024, respectively. The movement in advance and refundable deposits pertains to deposits received from new lease contracts, net of the application of rent advances and refunds during the year. In 2025, CCDC II, the Group’s subsidiary, also recognized forfeited deposits from terminated contracts amounting to ₱183.55 million (see Note 25).

Deferred Lease Income

Deferred lease income is amortized over the lease term on a straight-line basis and which amortization is recorded as part of “Leasing revenue” in the statements of comprehensive income. The carrying value of the deferred lease income presented under financial statement caption “Other current liabilities” amounted to ₱1.38 million and ₱10.13 million and “Other noncurrent liabilities” amounted to ₱36.24 million and ₱9.31 million as of September 30, 2025 and December 31, 2024, respectively.

31. Performance Obligation and Disaggregation of Revenue

Information about the Group’s performance obligations are summarized below:

Real estate sales

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at September 30, 2025 and December 31, 2024 are as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Within one year	₱8,332,201,610	₱9,357,814,707
More than one year	1,007,398,598	907,303,983
	₱9,339,600,208	₱10,265,118,690

The remaining performance obligations expected to be recognized within one year and in more than one year relate to the continuous development of the Group’s real estate projects.

All of the Group’s real estate sales from residential development are revenue from contracts with customers recognized over time. The Group’s disaggregation of each source of revenue from contracts with customers are presented below:

Project	Location	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
PHirst Park Homes	Cavite, Bataan, Nueva Ecija, Pampanga, Quezon, Bulacan, Batangas, Laguna, and Bacolod	₱8,376,784,990	₱6,680,419,657
The Resort Residences at	Azure North Pampanga City	867,164,273	789,227,127

(Forward)



Project	Location	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Acqua Private Residences	Mandaluyong City	₱593,500,971	₱1,122,771,642
Century City	Makati City	542,549,107	83,666,257
Batulao Artscares	Batangas	538,079,730	180,543,241
The Residences at Commonwealth	Quezon City	109,212,690	173,024,703
Azure Urban Resort Residences	Paranaque City	82,691,401	90,977,182
Tanza Properties	Cavite	19,643,407	182,406,783
		₱11,129,626,569	₱9,303,036,592

Property management

Revenue is recognized from property management over time as the services are rendered. The Group's disaggregation of each source of revenue from property management are presented below:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Property management fee	₱398,708,462	₱318,658,618
Technical services	1,454,423	1,859,314
	₱400,162,885	₱320,517,932

32. Financial Instruments

Fair Value Information

The table below presents the carrying amounts and fair values of the Group's financial assets and financial liabilities as follows:

	September 30, 2025		December 31, 2024	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial assets				
ICR	₱13,552,728,711	₱13,641,566,848	₱11,401,069,154	₱12,583,821,897
Rental deposits	92,907,688	97,493,473	90,036,776	93,106,228
	₱13,645,636,399	₱13,739,060,321	₱11,491,105,930	₱12,676,928,125
Other financial liabilities				
Long-term debt	₱11,372,212,514	₱11,696,459,080	₱9,973,666,717	₱10,285,956,341
Bonds payable	5,934,781,304	6,000,000,000	5,907,403,193	6,000,000,000
Liability from purchased land	726,088,682	774,841,661	2,999,083	3,185,777
Refundable deposits	133,197,878	124,992,144	281,001,108	272,453,741
Total financial liabilities	₱18,166,280,378	₱18,596,292,885	₱16,165,070,101	₱16,561,595,859

Fair Value of Financial Instruments

The methods and assumptions used by the Group in estimating the fair values of the financial instruments are as follows:

Financial assets

Cash and cash equivalents, receivables (excluding ICRs), due from related parties, accounts and other payables, due to related parties and short-term debt

Carrying amounts approximate fair values due to the short-term maturities of these instruments.



ICRs

Fair value is based on undiscounted value of future cash flows using the prevailing interest rates for similar types of receivables as of the reporting date using the remaining terms of maturity. Discount rates ranging from 5.26% to 5.69% and 5.88% to 6.25% were used in calculating the fair value as of September 30, 2025 and December 31, 2024.

Rental deposits

The fair values of rental deposits are based on the discounted value of future cash flows using the applicable market interest rates. Discount rates ranging from 5.57% to 5.96 and 5.64% to 6.49% were used in calculating the fair value of the Group's rental deposits as of September 30, 2025 and December 31, 2024, respectively.

Long-term debt, bonds payable, liability from purchased land and, security deposits

The fair values are estimated using the discounted cash flow method using the Group's current incremental borrowing rates for similar borrowings with maturities consistent with those remaining for the liability being valued. The discount rates used for long-term debt ranged from 4.97% to 5.95% and 5.78% to 7.20% as of September 30, 2025 and December 31, 2024, respectively. The discount rates used for the bonds payable ranged from 4.97% to 5.95% and 5.05% to 5.83% as of September 30, 2025 and December 31, 2024, respectively. The discount rates used for the liability from purchased land ranged from 5.67% to 5.84% and 5.64% to 6.49% as of September 30, 2025 and December 31, 2024, respectively.

The discount rates used for refundable deposits ranged from 5.89% to 5.95% and to 6.49% to 6.64% as of September 30, 2025 and December 31, 2024, respectively. The discount rates used for the lease liabilities ranged from 5.28% to 5.78% and 5.64% to 6.49% as of September 30, 2025 and December 31, 2024, respectively.

In 2025 and 2024, the Group did not have transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

Financial Risk Management Policies and Objectives

The Group has various financial assets and liabilities such as cash and cash equivalents, receivables, due to and from related parties, and accounts payable and other liabilities, which arise directly from its operations. The Group has bonds payable, short-term and long-term debt availed for financing purposes.

Exposure to credit, interest rate and liquidity risks arise in the normal course of the Group's business activities.

The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.



The Group's BOD reviews and approves the policies for managing each of these risks and they are summarized below:

Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Group by failing to discharge an obligation.

The Group trades only with recognized, creditworthy third parties. The Group's receivables are monitored on an ongoing basis to manage exposure to bad debts and to ensure timely execution of necessary intervention efforts. Real estate buyers are subject to standard credit check procedures, which are calibrated based on payment scheme offered. The Group assessed that its customers portfolio is homogeneous. The Group's respective credit management units conduct a comprehensive credit investigation and evaluation of each buyer to establish creditworthiness.

In addition, the credit risk for ICRs is mitigated as the Group has the right to cancel the sales contract without need for any court action and take possession of the subject house in case of refusal by the buyer to pay on time the due installment contracts receivable. This risk is further mitigated because the corresponding title to the subdivision units sold under this arrangement is transferred to the buyers only upon full payment of the contract price.

With respect to credit risk arising from the other financial assets of the Group, exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Group transacts only with institutions or banks which have demonstrated financial soundness for the past 5 years.

The Group's maximum exposure to credit risk as of September 30, 2025 and December 31, 2024 is equivalent to the carrying values of its financial assets, as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<i>Financial assets</i>		
Cash and cash equivalents*	P2,881,022,112	P4,173,817,957
Short-term deposits	5,247,137	5,195,169
Receivables**	1,098,976,926	763,353,276
Due from related parties	1,278,605,704	1,357,799,701
Rental deposits	92,907,688	90,036,776
	P5,356,759,567	P6,390,202,879

*excluding cash on hand amounting to P1.29 million and P1.29 million as of September 30, 2025 and December 31, 2024, respectively.

**excluding receivable from employees and ICR amounting to P443.42 million and P13,552.73 million as of September 30, 2025, respectively, and P352.06 million and P11,401.07 million as of December 31, 2024, respectively.

Cash and cash equivalents and rental deposits - these are considered as high-grade financial assets as these are entered into with reputable counterparties.

Contract assets and receivables other than advances to condominium-corporation - these are considered as high grade since there are no default in payments.

Due from related parties - these are considered as standard grade as these are settled on time or are slightly delayed due to unresolved concerns.



Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or the counterparty failing on repayment of a contractual obligation; or inability to generate cash inflows as anticipated. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and advances from related parties. It matches its projected cash flows to the projected amortization of long-term borrowings. For its short-term funding, the Group's policy is to ensure that there are sufficient operating inflows to match repayments of short-term debt.

The following table shows the maturity profile of the Group's financial assets used for liquidity purposes and liabilities based on contractual undiscounted payments:

	September 30, 2025		Total
	Within 1 Year	More than 1 year	
Financial assets			
Cash and cash equivalents	₱2,882,312,112	₱—	₱2,882,312,112
Short-term deposits	5,247,137	—	5,247,137
Receivables*	13,379,283,641	1,272,421,996	14,651,705,637
Due from related parties	1,278,605,704	—	1,278,605,704
Rental deposits	92,907,688	—	92,907,688
	₱17,638,356,282	₱1,272,421,996	₱18,910,778,278
Financial liabilities			
Accounts and other payables**	6,891,874,755	—	6,891,874,755
Due to related parties	69,954,422	—	69,954,422
Short-term debt	370,000,000	—	370,000,000
Liability from purchased land	50,000,000	831,940,000	881,940,000
Long-term debt:			
Principal	1,932,625,014	9,509,388,779	11,442,013,793
Interest	801,650,009	1,199,125,979	2,000,775,988
Bonds payable:			
Principal	692,960,000	5,307,040,000	6,000,000,000
Interest	368,948,065	500,273,310	869,221,375
Liabilities to preferred shareholders	—	805,606,302	805,606,302
Lease liabilities	10,548,850	56,547,768	67,096,618
Security deposits	33,102,007	100,095,871	133,197,878
	₱11,221,663,122	₱18,310,018,009	₱29,531,681,131

* Excluding receivables from employees amounting to ₱443.42 million as of September 30, 2025.

**Excluding customers' advances and statutory liabilities amounting to ₱4,032.18 million and ₱130.48 million, respectively, as of September 30, 2025



	December 31, 2024		Total
	Within 1 Year	More than 1 year	
Financial assets			
Cash and cash equivalents	₱4,175,107,957	₱—	₱4,175,107,957
Short-term deposits	5,195,169	—	5,195,169
Receivables*	11,101,522,051	1,062,900,379	12,164,422,430
Due from related parties	1,357,799,701	—	1,357,799,701
Rental deposits	90,036,776	—	90,036,776
	₱16,729,661,654	₱1,062,900,379	₱17,792,562,033
Financial liabilities			
Accounts and other payables**	4,694,827,098	—	4,694,827,098
Due to related parties	70,410,781	—	70,410,781
Short-term debt	962,878,827	—	962,878,827
Liability from purchased land	2,999,083	—	2,999,083
Long-term debt:			
Principal	1,264,264,639	8,791,171,299	10,055,435,938
Interest	628,170,718	1,425,051,761	2,053,222,479
Bonds payable:			
Principal	—	6,000,000,000	6,000,000,000
Interest	391,732,590	816,936,921	1,208,669,511
Liabilities to preferred shareholders	—	946,372,777	946,372,777
Security deposits	31,413,201	258,560,377	289,973,578
	₱8,046,696,937	₱189,238,093,135	₱26,284,790,072

* Excluding receivables from employees amounting to ₱352.06 million as of December 31, 2024.

**Excluding customers' advances and statutory liabilities amounting to ₱2,796.45 million and ₱268.15 million, respectively, as of December 31, 2024

Interest rate risk

Interest rate risk is the risk that changes in the market interest rates will reduce the Group's current or future earnings and/or economic value. The Group's interest rate risk management policy centers on reducing the overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Group's interest-bearing debt obligations with floating interest rates or rates subject to repricing as it can cause a change in the amount of interest payments.

The following table demonstrates the sensitivity to reasonably possible changes in interest rates, with all variables held constant, of the Group's income before tax and equity (through the impact on floating rate borrowings).

	September 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Increase (decrease) in interest rates	Effect on profit before tax	Increase (decrease) in interest rates	Effect on profit before tax
Basis points	1.00% (1.00%)	(₱102,433,411) 102,433,411	1.00% (1.00%)	(₱84,920,854) 84,920,854

There is no other impact on the Group's total comprehensive income other than those already affecting the net income.



33. Events after the Reporting Date

BOD Approval of Debt Securities Program

On November 25, 2025, the BOD approved the registration of debt securities amounting to ₱12,000.00 million. The BOD approval covers the initial offer, sale, and issuance in the Philippines, by way of public offering, of fixed-rate bonds with a principal amount of up to ₱3,000.00 million, with an oversubscription option of up to ₱2,000.00 million.

34. Notes to Unaudited Interim Consolidated Statements of Cash Flows

Below are the noncash transactions not included in the adjustments for income before tax in the consolidated statements of cash flows for the periods ended September 30, 2025 and 2024:

- a. Accretion of unamortized discount for noninterest-bearing contracts receivable amounting to ₱70.43 million and ₱142.90 million for the nine-month periods ended September 30, 2025 and 2024, respectively.
- b. Application of related deposit for purchased land amounting to ₱100.50 million, as part of the payment for the purchased land for the nine-month period ended September 30, 2025 (see Notes 9 and 11).
- c. Outstanding balance from the land purchase, amounting to ₱726.09 million recognized as liability from purchased land for the nine-month period ended September 30, 2025 (see Notes 9 and 21).
- d. Additions to right-of-use assets and increase in lease liabilities amounting ₱74.45 million for the nine-month period ended September 30, 2025 (see Note 13 and 29).
- e. Application of advances to landowner amounting to ₱250.00 million, transfer of ownership of inventory pool, with an assigned value of ₱515.76 million as part of the payment for the purchased land for the nine-month period ended September 30, 2025 (see Notes 9 and 15).
- f. Amortization of deferred financing costs amounting to ₱39.35 million and ₱24.00 million for the nine-month periods ended September 30, 2025 and 2024, respectively (see Notes 19 and 20).
- g. Dividends declared amounting to ₱159.85 million and ₱223.38 million remain unpaid as of September 30, 2025 and 2024 (see Note 16).
- h. Transfer of investment property to property and equipment amounting to ₱1,048.22 million for the nine-month period ended September 30, 2024 (see Notes 13 and 14).
- i. Transfer of real estate inventories to property and equipment amounting to ₱723.19 million for the nine-month period ended September 30, 2024 (see Notes 9 and 14).



Changes in liabilities and other accounts arising from financing activities

	September 30, 2025						
	Beginning of the period	Cash flows	ROU Addition	Amortization of discount	Dividend declaration	Other movements	End of the period
Short-term and long-term debts	₱11,018,314,765	₱793,699,028	₱—	₱—	₱—	₱—	₱11,812,013,793
Bonds payable	6,000,000,000	—	—	—	—	—	6,000,000,000
Non-controlling interest	54,180,394	—	—	—	—	—	54,180,394
Due to related parties	70,410,781	(456,359)	—	—	—	—	69,954,422
Dividends payable	—	(601,653,583)	—	—	761,496,830	—	159,843,247
Lease liabilities	—	(7,355,853)	74,452,471	—	—	—	67,096,618
Liabilities to preferred shareholders of a subsidiary	946,372,776	6,951,977	—	—	—	(147,718,451)	805,606,302
Issuance of preferred shares	1,961,372,059	—	—	—	—	—	1,961,372,059
Deferred financing costs on short-term and long-term debts and bonds payable	(174,366,028)	—	—	39,346,056	—	—	(135,019,972)
	₱19,876,284,747	₱191,185,210	₱74,452,471	₱39,346,056	₱761,496,830	(₱147,718,451)	₱20,795,046,863

	September 30, 2024						
	Beginning of the period	Cash flows	Deferred financing cost application	Amortization of discount	Dividend declaration	Other movements	End of the period
Short-term and long-term debts	₱11,205,718,870	₱20,350,371	₱—	₱—	₱—	₱—	₱11,226,069,241
Bonds payable	9,000,000,000	(3,000,000,000)	—	—	—	—	6,000,000,000
Non-controlling interest	54,180,394	—	—	—	—	—	54,180,394
Due to related parties	384,097,093	(70,348,407)	—	—	—	—	313,748,686
Dividends payable	—	(353,625,224)	—	—	576,808,840	—	223,183,616
Lease liabilities	34,209,306	(11,927,945)	—	—	—	—	22,281,361
Liabilities to preferred shareholders of a subsidiary	948,317,211	14,628,802	—	—	—	(19,308,258)	943,637,755
Treasury shares	(3,000,000,000)	—	—	—	—	3,000,000,000	—
Issuance of preferred shares	—	1,981,350,764	(19,978,705)	—	—	—	1,961,372,059
Deferred financing costs on short-term and long-term debts and bonds payables	(184,383,663)	(57,221,386)	—	(6,792,120)	—	—	(248,397,169)
	₱18,442,139,211	(₱1,476,793,025)	(₱19,978,705)	(₱6,792,120)	₱576,808,840	₱2,980,691,742	₱20,496,075,943



INDEPENDENT AUDITORS' REPORT ON INTERIM SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Century Properties Group Inc.
35/F Century Diamond Tower, Century City
Kalayaan Ave. cor. Salamanca St.
Poblacion, Makati City

We have reviewed in accordance with Philippine Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, the unaudited interim condensed consolidated financial statements of Century Properties Group Inc. and its subsidiaries (collectively, the "Group") as at September 30, 2025 and for the nine-month periods ended September 30, 2025 and 2024 and have issued our report thereon dated December 2, 2025. Our review was made for the purpose of expressing a conclusion on the basic interim condensed consolidated financial statements taken as whole. The schedules listed in the Index to the Interim Condensed Consolidated Financial Statements and Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with Revised Securities Regulation Code Rule 68, and are not part of the basic interim condensed consolidated financial statements. These schedules have been subjected to the procedures applied in the review of the basic interim condensed consolidated financial statements and, based on our review, nothing has come to our attention that causes us to believe that the information required to be set forth therein in relation to the basic interim condensed consolidated financial statements taken as a whole has not been prepared, in all material respects, in accordance with Philippine Accounting Standard 34, *Interim Financial Reporting*.

SYCIP GORRES VELAYO & CO.



Ma. Emilita L. Villanueva

Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-159-2024, October 2, 2024, valid until October 1, 2027

PTR No. 10465405, January 2, 2025, Makati City

December 2, 2025



**INDEPENDENT AUDITOR'S REPORT
ON RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION**

The Stockholders and the Board of Directors
Century Properties Group Inc.
35/F Century Diamond Tower, Century City
Kalayaan Ave. cor. Salamanca St.
Poblacion, Makati City

We have reviewed in accordance with Philippine Standard on Review Engagement 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, the unaudited interim condensed consolidated financial statements of Century Properties Group Inc. (the Company) and its subsidiaries (collectively, "the Group") as at September 30, 2025 and for the nine-month periods ended September 30, 2025 and 2024, and have issued our report thereon dated December 2, 2025. Our review was made for the purpose of expressing a conclusion on the basic interim condensed consolidated financial statements of the Group taken as whole. The Company's schedule of retained earnings available for dividend declaration is the responsibility of the Company's management. The schedule is presented for purposes of complying with the Revised Securities Regulation Code Rule 68 and is not part of basic interim condensed consolidated financial statements. The schedule has been subjected to the procedures applied in the review of the basic interim condensed consolidated financial statements of the Group, and based on our review, nothing has come to our attention that causes us to believe that the information required to be set forth therein in relation to the unaudited interim condensed consolidated financial statements of the Group taken as a whole has not been prepared, in all material respects, in accordance with Philippine Accounting Standard 34, *Interim Financial Reporting*.

SYCIP GORRES VELAYO & CO.



Ma. Emilita L. Villanueva
Partner

CPA Certificate No. 95198

Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-159-2024, October 2, 2024, valid until October 1, 2027

PTR No. 10465405, January 2, 2025, Makati City

December 2, 2025



INDEPENDENT AUDITORS' REPORT ON INTERIM COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Century Properties Group Inc.
35/F Century Diamond Tower, Century City
Kalayaan Ave. cor. Salamanca St.
Poblacion, Makati City

We have reviewed in accordance with Philippine Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, the unaudited interim condensed consolidated financial statements of Century Properties Group Inc. and its subsidiaries (collectively, the "Group") as at September 30, 2025 and for the nine-month periods ended September 30, 2025 and 2024, and have issued our report thereon dated December 2, 2025. Our review was made for the purpose of expressing a conclusion on the basic interim condensed consolidated financial statements taken as whole. The Supplementary Schedule of Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Accounting Standard 34, *Interim Financial Reporting* (PAS 34), and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the SEC, and is not a required part of the basic interim condensed consolidated financial statements in accordance with PAS 34. The interim components of these financial soundness indicators have been traced to the Group's unaudited interim condensed consolidated financial statements as at September 30, 2025 and for nine-month periods ended September 30, 2025 and 2024 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Ma. Emilita L. Villanueva
Partner

CPA Certificate No. 95198

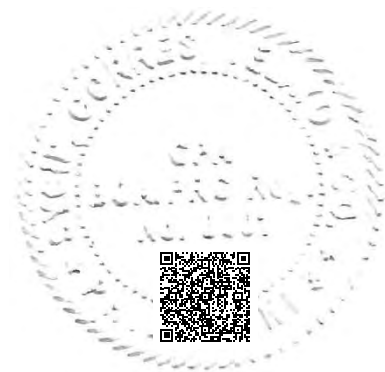
Tax Identification No. 176-158-478

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-159-2024, October 2, 2024, valid until October 1, 2027

PTR No. 10465405, January 2, 2025, Makati City

December 2, 2025



INDEX TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

Schedule	Contents
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related parties)
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
D	Intangible Assets - Other Assets
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M	Schedule of Bonds Proceeds
N	Use of proceeds from Preferred Shares

SCHEDULE A**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF FINANCIAL ASSETS****SEPTEMBER 30, 2025**

	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet	Income received or accrued
Cash and cash equivalents	P—	₱2,882,312,112	₱44,321,913
Short-term investments		5,247,137	145,947
Receivables			
Trade receivables:			
ICR	—	13,552,728,711	70,423,538
Leasing receivables	—	306,615,967	—
Management fee	—	263,302,648	—
Advances to condominium corporations	—	121,947,660	—
Advances to customers	—	208,373,074	—
Other receivables	—	262,229,205	—
Due from related parties	—	1,278,605,704	—
Rental deposit	—	92,907,688	—
	P—	₱18,974,269,906	₱114,891,398

SCHEDULE B**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM
DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES, AND
PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)
SEPTEMBER 30, 2025**

Name and Designation of debtor	Balance at beginning of period	Additions	Amounts collected	Current	Not Current	Balance at the end of the period
Officers, Directors and Employees	₱8,742,019	₱1,712,960	(₱2,656,751)	₱7,798,228	₱—	₱7,798,228

SCHEDULE C**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**
SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM
RELATED PARTIES WHICH ARE ELIMINATED DURING THE
CONSOLIDATION OF FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

	Receivable Balance	Payable Balance	Current Portion
CPGI	₱11,536,692,673	(₱2,600,678,562)	₱8,936,014,111
CLC	951,343,263	(7,062,635,671)	(6,111,292,408)
PPHI	402,823,310	(354,823,945)	47,999,365
CCDC	5,012,707,333	(6,434,738,855)	(1,422,031,522)
CCC	50,000	(1,392,908,381)	(1,392,858,381)
CPMI	24,835,292	(78,756,663)	(53,921,371)
CDLC	–	(3,909,794)	(3,909,794)
Total Eliminated Receivables/Payables	₱17,928,451,871	(₱17,928,451,871)	₱–

SCHEDULE D**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF INTANGIBLE ASSETS - OTHER ASSETS****SEPTEMBER 30, 2025**

Description	Beginning Balance	Additions at cost	Charged to cost and expenses	Charged to other accounts	Other changes additions (deductions)	Ending Balance
Trademark	₱3,024,289	₱50,802	₱–	₱–	₱–	₱3,075,091
Software						
Cost	39,962,034	18,643,484	(7,803,626)	–	–	50,801,892
	₱42,986,323	₱18,694,286	(₱7,803,626)	₱–	₱–	₱53,876,983

SCHEDULE E**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**

SUPPLEMENTARY SCHEDULE OF LONG-TERM DEBT

AND BONDS PAYABLE
SEPTEMBER 30, 2025

Long-term Debt and Bonds Payable

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current Liabilities" in related balance sheet	Amount shown under caption "Noncurrent Liabilities" in related balance sheet
Term Loan	₱10,071,952,694	₱1,446,592,448	₱8,625,360,246
Payable under CTS			
financing	1,300,259,823	486,032,566	814,227,257
Bonds payable	5,934,781,304	692,960,000	5,241,821,304
	₱17,306,993,821	₱2,625,585,014	₱14,681,408,807

SCHEDULE F

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)
SEPTEMBER 30, 2025

Indebtedness to related parties (Long-term loans from Related Companies)		
Name of related party	Balance at beginning of period	Balance at end of period
N/A		

SCHEDULE G**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SUPPLEMENTARY SCHEDULE OF GUARANTEES OF SECURITIES OF****OTHER ISSUERS****SEPTEMBER 30, 2025**

Guarantees of Securities of Other Issuers				
Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is file	Nature of guarantee
N/A				

SCHEDULE H**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**

SUPPLEMENTARY SCHEDULE OF CAPITAL STOCK

SEPTEMBER 30, 2025

Capital Stock						
Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common Stock*	15,000,000,000	11,599,600,690	—	—	9	—
Preferred Stock	3,000,000,000	20,000,000				

**All nine (9) directors have one (1) nominal common shares issued*

SCHEDULE I

CENTURY PROPERTIES GROUP INC.

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION SEPTEMBER 30, 2025

Unappropriated Retained Earnings, beginning of reporting period		₱660,522,712
Add:	Category A: Items that are directly credited to Unappropriated Retained Earnings	
	Reversal of Retained Earnings Appropriation/s	₱—
	Effect of restatements of prior-period adjustments	—
	Others (describe nature)	—
		—
Less:	Category B: Items that are directly debited to Unappropriated Retained Earnings	
	Dividend declaration during the reporting period	(761,496,830)
	Retained Earnings appropriated during the reporting period	—
	Other (describe nature)	—
		(761,496,830)
Unappropriated Retained Earnings, as adjusted		(100,974,118)
Add/Less: Net Income (loss) for the current year		₱ 1,400,079,993
Less:	Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)	
	Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	₱—
	Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss	—
	Unrealized fair value gain of Investment Property	—
	Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	—
	Sub-total	₱—
Add:	Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	
	Realized foreign exchange gain, except those attributable to Cash and cash equivalents	₱—
	Realized fair value adjustment (market-market gains) of financial instruments at fair value through profit or loss	—
	Realized fair value gain of Investment Property	—
	Other realized gains or adjustment to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	—
	Sub-total	₱—

(Forward)

Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Add:		
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	P=	
Reversal of previously recorded fair value gain of Investment Property	—	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	—	
Sub-total	P=	
Adjusted Net Income/Loss		1,400,079,993
Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Add:		
Depreciation on revaluation increment (after tax)	P=	
Sub-total	P=	
Category E: Adjustments related to relief granted by the SEC and BSP		
Add/Less:		
Amortization of the effect of reporting relief	P=	
Total amount of reporting relief granted during the year	—	
Others (describe nature)	—	
Sub-total	P=	
Category F: Other items that should be excluded from the determination of the amount of available for dividend distribution		
Add/Less:		
Net movement of treasury shares (except for reacquisition of redeemable shares)	P=	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	—	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g. set up of right of use of the asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	—	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	—	
Others (describe nature)	—	
Sub-total	P=	
Total Retained Earnings, end of the reporting period available for dividend		
		P1,299,105,875

SCHEDULE J

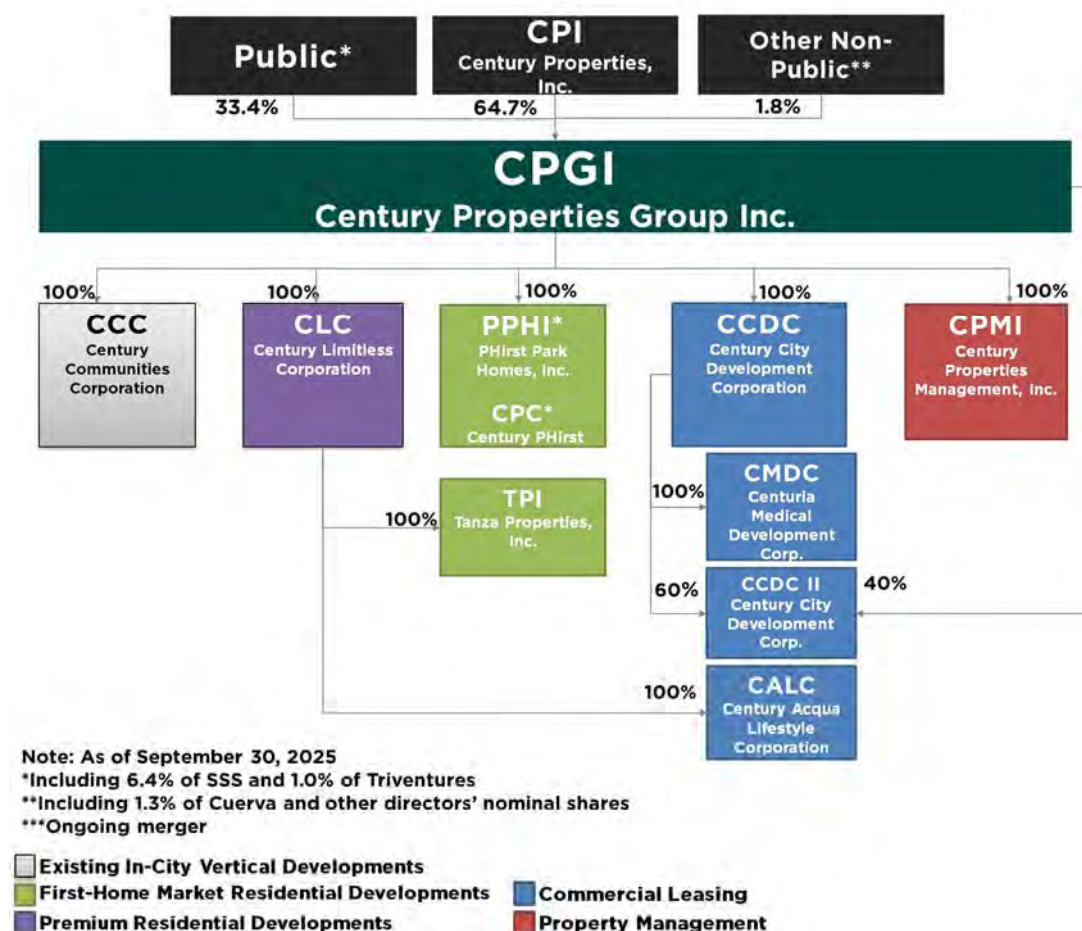
CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

SCHEDULE OF FINANCIAL RATIOS

SEPTEMBER 30, 2025

Financial ratios	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Current/Liquidity Ratios		
Current Assets	41,912,387,005	37,971,415,597
Current Liabilities	18,312,326,863	16,330,005,430
Current Ratios	2.3	2.3
Current Assets	41,912,387,005	37,971,415,597
Inventory	19,565,097,534	16,465,164,368
Quick Assets	22,347,289,471	21,506,251,229
Current Liabilities	18,312,326,863	16,330,005,430
Quick Ratios	1.2	1.3
Total Assets	60,852,882,713	56,249,231,553
Total Liabilities	37,329,126,669	34,764,242,628
Solvency Ratio	1.6	1.6
Financial Leverage Ratio		
Debt	17,676,993,821	17,034,893,458
Total Assets	61,008,734,031	56,249,231,553
Debt to Asset Ratio	0.3	0.3
Liabilities and Debt Ratios		
Short-term debt	370,000,000	984,238,099
Long-term debt - Current	1,932,625,014	1,376,226,370
Long-term debt - Non-current	9,439,587,503	8,774,517,318
Bonds payable	5,934,781,304	5,899,911,671
Debt	17,676,993,821	17,034,893,458
Equity	23,523,756,044	21,878,524,878
Debt-to-Equity	0.8	0.8
Debt	17,676,993,821	17,034,893,458
Cash and Cash Equivalents	2,882,312,112	4,818,458,852
Net Debt	14,794,681,709	12,216,434,606
Equity	23,523,756,044	21,878,524,878
Net Debt-to-Equity	0.6	0.6
Debt	17,676,993,821	17,034,893,458
EBITDA (annualized)	5,325,140,955	4,568,714,947
Debt-to-EBITDA	3.3	3.7
Income before Income Tax	2,827,704,300	2,327,798,305
Interest expense	991,996,266	1,012,748,567
Depreciation and amortization	174,155,150	85,989,338
EBITDA	3,993,855,716	3,426,536,210

Financial ratios	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Income before Income Tax	2,827,704,300	2,327,798,305
Interest expense	991,996,266	1,012,748,567
EBIT	3,819,700,566	3,340,546,872
Interest expense	991,996,266	1,012,748,567
Interest Coverage Ratio	3.9	3.3
Asset to Equity Ratios		
Total Assets	60,852,882,713	56,249,231,553
Total Equity	23,523,756,044	21,878,524,878
Asset to Equity Ratio	2.6	2.6
Liabilities to Equity Ratios		
Total Liabilities	37,329,126,669	34,764,242,628
Total Equity	23,523,756,044	21,878,524,878
Liabilities to Equity Ratio	1.6	1.6
Profitability ratios		
Revenue	12,311,876,768	10,690,328,791
Gross Profit	5,975,154,259	5,242,203,428
Gross Profit Ratio	49%	49%
Net Income Attributable to Equity holders of the Parent Company	2,104,691,623	1,769,162,098
Revenue	12,311,876,768	10,690,328,791
Net Income Margin	17.1%	16.5%
Total Net Income after tax (Annualized)	2,806,255,497	2,358,882,797
Total Asset CY	60,852,882,713	56,249,231,553
Total Asset PY	55,869,859,949	55,385,411,059
Average total asset	58,361,371,331	55,817,321,306
Return on Asset	4.8%	4.2%
Total Net Income after tax	2,806,255,497	2,358,882,797
Total Equity CY	23,523,756,044	21,878,524,878
Total Equity PY	22,180,561,251	20,304,338,429
Average total equity	22,852,158,648	21,091,431,654
Return on Equity	12.3%	11.2%
Net Income	2,104,691,623	1,769,162,098
Revenue	12,311,876,768	10,690,328,791
Net Income Margin	17.1%	16.5%

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT COMPANY AND CO-SUBSIDIARIES****SEPTEMBER 30, 2025**

Century Properties Group Inc. (CPGI) – incorporated in May 6, 1975, CPGI is the listed Company of CPI with property development corporations as subsidiaries.

CPGI Subsidiaries

Century City Development Corporation (CCDC) – incorporated in 2006, is focused on developing mixed-use communities that contain residences, office and retail properties. CCDC is currently developing Century City, a 3.4-hectare mixed-use development along Kalayaan Avenue, Makati City. CCDC has fourteen local subsidiaries.

Milano Development Corporation (MDC) & Centuria Medical Development Corporation (CMDC) – are wholly owned subsidiaries of CCDC. Affiliated company under CCDC includes CCDC II which is 60% owned by CCDC and 40% owned by CPGI. On September 2, 2024, the Board of Directors (BOD) and stockholders of MDC approved a plan of liquidation and

cessation of operations effective October 31, 2025. On November 8, 2024, MDC has received the approval of the Philippine SEC on the amendment on fourth article of the Articles of Incorporation of MDC shortening its corporate life until October 31, 2025. As of date of approval for issuance of the FS, MDC has not yet received the approval for its dissolution from the Bureau of Internal Revenue.

Century Communities Corporation – incorporated in 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 is currently developing Canyon Ranch, a 25-hectare house and lot development located in Carmona, Cavite. 100% owned by CPGI.

Century Limitless Corporation (CLC) – incorporated in 2008, is Century's brand category that focuses on developing high-quality, affordable residential projects. Projects under CLC caters to first-time home buyers, start-up families and investors seeking safe, secure and convenient homes. It has one internal branch office in Singapore namely CLC Singapore. CLC is 100% owned by CPGI.

PHirst Park Homes, Inc. (PPHI) – incorporated in 2018, is the new First-Home brand of PHirst Park Homes Incorporated. It focuses in developing affordable horizontal house and lot development, it aims to promote a balanced life that enhances one's way of living and overall value where they and their families can thrive in a safe and secured environment. PPHI is 100% owned by CPGI.

Century Nuliv Development Corporation (CNDC) – incorporated in 2020, is Century's newest brand category which will focus on building townhouses and other low-rise structures while focusing on sustainability, health and wellness. Projects under CNDC offers homes which come in a range of choices: upscale and premium town villas, homes and enclaves. CNDC is 100% owned by CPGI. On September 2, 2024, the Board of Directors (BOD) and stockholders of CNDC approved a plan of liquidation and cessation of operations effective October 31, 2025. On November 8, 2024, CNDC has received the approval of the Philippine SEC on the amendment on fourth article of the Articles of Incorporation of CNDC shortening its corporate life until October 31, 2025. As of date of approval for issuance of the FS, CNDC has not yet received the approval for its dissolution from the Bureau of Internal Revenue.

SCHEDULE L**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SCHEDULE OF BONDS PROCEEDS****SEPTEMBER 30, 2025****₱3.0 BILLION BONDS DUE ON 2027**

Use of Proceeds	ESTIMATED PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of Bonds	₱3,000,000,000	₱3,000,000,000
Less: Upfront fees		
SEC registration and legal research fee	1,325,625	1,325,625
Underwriting fees	22,500,000	22,500,000
DST	22,500,000	22,500,000
Estimated Professional and Agency Fees	9,343,100	23,436,549
Listing application fees	100,000	100,000
Other Miscellaneous expense	50,000	44,837
Subtotal	₱55,818,725	₱69,907,011
Net proceeds	₱2,944,181,275	₱2,930,092,989

Balance of Proceeds as of September 30, 2025**NIL**

Century Properties Group, Inc. raised from the Bonds gross proceeds of ₱3.00 billion. After issue-related expenses, actual net proceeds amounted to approximately ₱2.93 billion were used to partially repay existing obligations of the Company, and partially finance capital expenditures of vertical project development and other corporate fund requirements.

SCHEDULE M**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES****SCHEDULE OF BONDS PROCEEDS****SEPTEMBER 30, 2025****₱3.0 BILLION BONDS**

- ₱0.7 billion due on 2027
- ₱1.3 billion due on 2028
- ₱1.0 billion due on 2030

Use of Proceeds	ESTIMATED PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of Bonds	₱3,000,000,000	₱3,000,000,000
Less: Upfront fees		
SEC registration and legal research fee	757,530	757,530
Underwriting fees	22,500,000	22,500,000
DST	22,500,000	22,500,000
Estimated Professional and Agency Fees	9,683,000	7,526,920
Listing application fees	300,000	300,000
Other Miscellaneous expense	50,000	50,000
Subtotal	₱55,790,530	₱53,634,450
Net proceeds	₱2,944,209,470	₱2,946,365,550

Balance of Proceeds as of September 30, 2025**NIL**

SCHEDULE N**CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**
USE OF PROCEEDS FROM THE OFFER OF SERIES B PREFERRED SHARES
SEPTEMBER 30, 2025

Use of Proceeds	As of September 30, 2025	
Net proceeds from the sale of Preferred Shares		₱2,000,000,000
Less: Offer-related Expenses		
Underwriting fees	27,392,063	
DST	106,000	
SEC registration and legal research fee	1,830,655	
PSE Filing fee (inclusive of VAT)	5,600,000	
Legal fees (excluding OPE)	4,563,285	
Stock Transfer and Receiving Agent fee	728,000	
Insurance Commission processing fee	10,100	
Audit fees	3,900,000	
Other miscellaneous expenses (signing, publicity, etc.)	774,479	44,904,582
Net proceeds from the Offer		1,955,095,418
Less: Payment of the principal amount of CPGI's Fixed Rate3-Year Bonds with coupon rate of 4.8467% issued on March 1, 2021		1,955,095,418
Unused Net Proceeds		<u>₱—</u>

Balance of Proceeds as of September 30, 2025 **NIL**

CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES**SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION**

**For the nine months period ended September 30, 2025 and
for the year ended December 31, 2024**

	2025	2024
Total Audit Fees¹	₱7,422,760	₱6,644,000
Non-audit Services²		
Other Assurance Services	—	1,953,050
Tax Services	—	—
All Other Services	—	120,000
Total Non-audited Services Fees	—	2,073,050
TOTAL	₱7,422,760	₱8,717,050

Amounts are exclusive of VAT and out-of-pocket expenses.

¹ Agreed audit fees

² As billed for the nine months period ended September 30, 2025 and for the year ended December 31, 2024

PARTIES TO THE OFFER

Issuer

Century Properties Group Inc.

Sole Issue Manager

China Bank Capital Corporation

Joint Lead Underwriters and Bookrunners

China Bank Capital Corporation
PNB Capital and Investment Corporation

Trustee

China Banking Corporation through its Trust and Asset Management Group

Registrar and Paying Agent

Philippine Depository & Trust Corp.

Legal Counsel to the Issuer and the Corporate Sureties

Angara Abello Concepcion Regala & Cruz Law Offices

Legal Counsel to the Joint Lead Underwriters and Bookrunners

SyCip Salazar Hernandez & Gatmaitan

Independent Auditors

SyCip Gorres Velayo & Co.