



COMPANY INFORMATION

About Century Properties Group

Century Properties Group (CPG) has over three decades of experience in real estate development, marketing, sales, and property management.

Founded in 1986 by Chairman Jose E.B. Antonio, CPG has grown as one of the country's most reputable and recognized real estate companies. From a humble real estate marketing firm with only six employees, the company has evolved into a comprehensive real estate development and property management conglomerate with thousands of employees and agents in 50 countries across the globe.

The company has earned a reputation for revolutionizing housing concepts, including "fully-fitted, fully-furnished" units which have become an industry standard. It also introduced some of the most groundbreaking and innovative developments never before seen in the country, bringing distinctive value to its clients with unparalleled collaborations with global brands and designers such as Armani/CASA, Versace Home, I.M. Pei, the Trump Organization, Missoni Home, Philippe Starck and John Hitchcox, Daniel Libeskind, Paris Hilton, Mitsubishi Corporation, and General Electric.

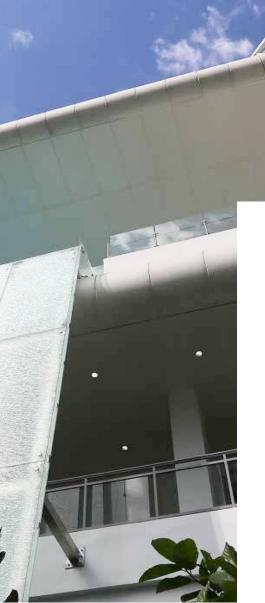
From being concentrated in high-rise residential properties, CPG undertook a business expansion program to diversify into allied areas of real estate. This diversification plan commenced five years ago with the goal of serving unmet market demands and increasing revenue streams, while exercising business prudence and maintaining a robust and healthy balance sheet.

Today, Century Properties Group's portfolio consists of in-city vertical developments, affordable housing, and office and commercial leasing. It has also ventured into tourism, leisure and hospitality developments as of 2017.

CPG's affordable housing brand, PHirst Park Homes, has sold more than 3,000 housing units valued at Php4.4 billion from its first three projects as of April 30, 2019. PHirst Park Homes communities in Tanza, Cavite; Lipa, Batangas; and San Pablo, Laguna are collectively 64 hectares in total land area with a total inventory of 6,000 units and a sales value of Php10.11 billion. PHirst Park Homes now accounts for 10% of CPG's gross revenue.

The company's leasable area will grow from 133,000 square meters to 300,000





COMPANY INFORMATION

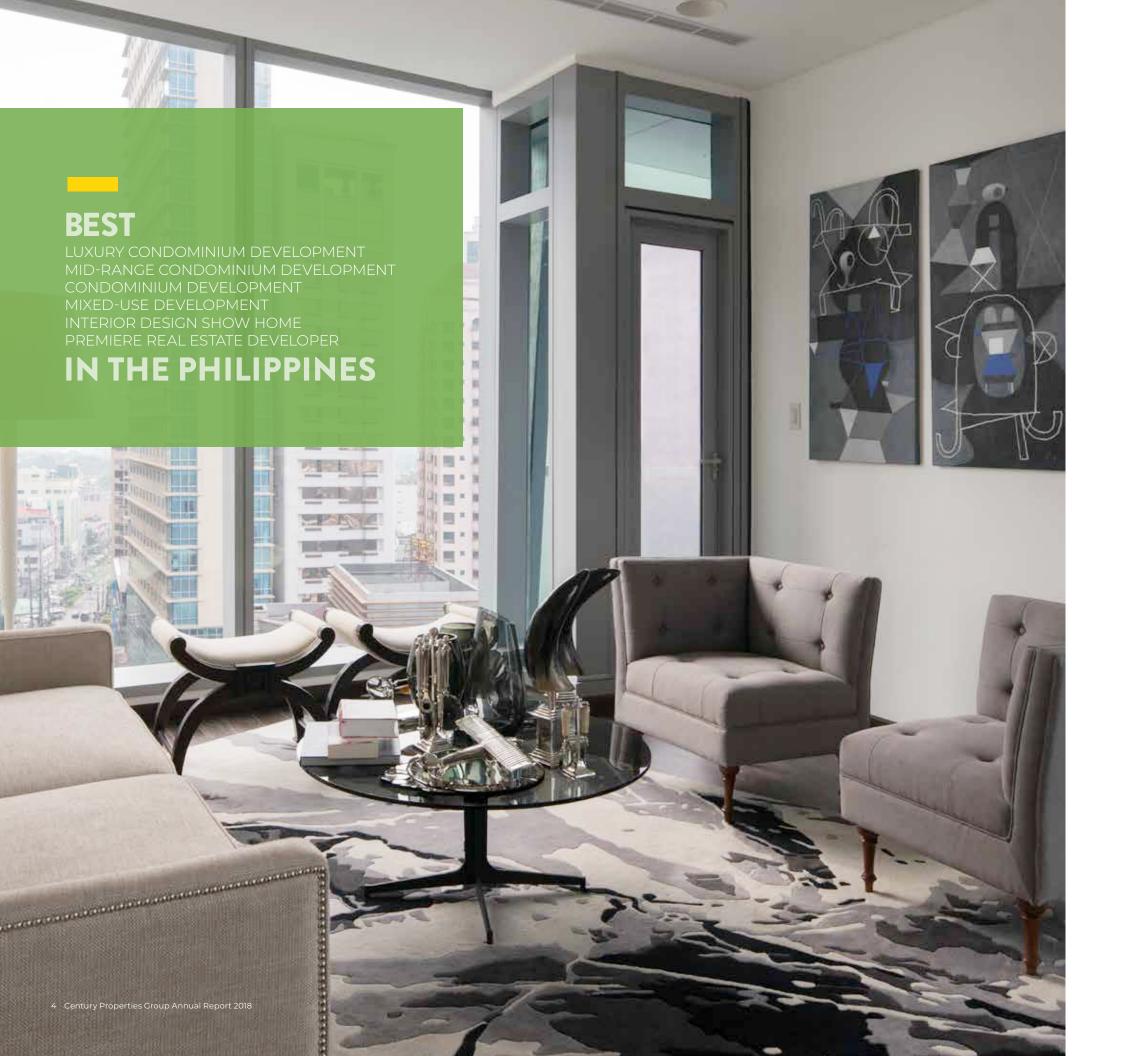
square meters of gross floor area by the year 2020 with a target of Php2 billion in revenues. Aggregate income from its leasing and property management businesses currently amounts to 8% of total gross revenue.

As of December 30, 2018, CPG has completed 24 residential buildings, consisting of 13,001 units with a total gross floor area (GFA) of 962,563 square meters (with parking); a retail commercial building with 52,233 square meters of GFA (with parking); a medical office building, comprised of 707 units with 74,103 square meters of GFA (with parking); an office building with 56,284 sqm of GFA (with parking). This is in addition to the 19 buildings totaling 4,128 units and 548,262 square meters of GFA that were completed prior to 2010 by the founding principals' prior development companies, the Meridien Group of Companies.

The company, through subsidiary Century Properties Management, Inc.,

(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 also endeavors to ensure the properties it manages in maintaining and improving their asset value to be safe and secured. CPMI manages 46 projects as of December 31, 2018 with 2.58 million square meters of GFA (with parking). Of the total, 65% of the projects CPMI manages were developed by third parties. Notable third-party developed projects under management include the Asian Development Bank in Ortigas, One Corporate Center in Ortigas, BPI Buendia Center and Pacific Star Building in Makati City, and Philippine National Bank Financial Center in Pasay City.

Today, Century Properties Group's portfolio consists of in-city vertical developments, affordable housing, and office and commercial leasing. It has also ventured into tourism properties in recent years.



COMPANY & PROJECT AWARDS

2018 Philippines Property Awards

Trump Tower Philippines
Best Luxury Condominium
Development in the Philippines

2018 Philippines Property Awards

The Residences at Commonwealth Best Mid-range Condominium Development in the Philippines

2017 Philippines Property Awards

Acqua Private Residences – Livingstone Highly Commended – Best Condominium Development in the Philippines

2016 Philippines Property Awards

Acqua Private Residences Best Condominium Development in the Philippines

2016 Philippines Property Awards

Acqua Private Residences
Best Mid-Range Condominium
Award for Metro Manila

2016 Philippines Property Awards

The Residences at Commonwealth Highly Commended in the Best Mid-Range Condominium Award Category for Metro Manila

2016 Philippines Property Awards

Acqua Private Residences Best Condominium Development in the Philippines

2016 Philippines Property Awards

Acqua Private Residences Best Mid-Range Condominium Award for Metro Manila

2016 Philippines Property Awards

The Residences at Commonwealth Highly Commended in the Best Mid-Range Condominium Award Category for Metro Manila

2015 Asia Pacific Property Awards

Century Spire – Best Mixed-Use Development – Philippines

2014 South East Asia Property Awards

Azure Urban Resort Residences

– Best Mid-range Condo

Development in the Philippines

2014 Philippines Property Awards

Azure Urban Resort Residences – Best Condo Development – Philippines

2014 Philippines Property Awards

Century City Mall – Highly Commended, Best Commercial Development (Retail) Century City Mall – Highly Commended, Best Commercial Architectural Design

2013 Asia Pacific Property Awards

Acqua Iguazu – Acqua Private Residences Best Interior Design Show Home – Philippines

2011-2017 BCI Asia Awards

CPG as one of the Top 10 Developers, Philippines

2013 Housing and Land Use Regulatory Board

Century Limitless Corporation Developer with the Most Number of Condominium Units Licensed Under PD 957

2012 Southeast Asia Property Awards

Chairman Jose E.B. Antonio Property Report Real Estate Personality of the Year

2014 The Asset Triple A

Transaction Banking – Treasury, Trade & Risk Management Awards Best Structured Trade Finance Solution in the Philippines

2013 Capital Finance International Awards

Best Premier Real Estate Developer, Philippines

2013 Corporate Governance Asia

One of the Most Promising Companies





COMPANY MILESTONES



property management company, was established

1989

condominium segment with the completion of Began development of Essensa East Forbes 2000

1991 - 1994

Entered the luxury Launched first large-scale house and lot Entered affordable to

development with Canyon Ranch 2004

middle-income segment 2006 - 2009

Expanded into large-scale mixed-use developments with Century City in

Started global brand collaborations for residential projects

Completed "backdoor listing" with EAPRC

Issued PHP1.6 billion

convertible bond to Dutch pension fund APG

2010 - 2011



Raised Php 1.6 billion from 800 million shares

issued, increasing free

float to 32%

2013

Php 2.3 Billion re-IPO selling 1.33 billion shares, increasing free float to

2012

Opened Century City Mall, the company's first retail mall

Completed maiden offering of Php 2.7 billion Unsecured Fixed Rate Retail Bond

Completed issuance of stock dividend with stock dividend rate of 20.66% 2014

2015

with a total sales value of over Php 12.7 billion Signed a joint venture

agreement with Mitsubishi Corporation for Century Diamond Tower

Launched PHirst Park Homes, CPG's affordable housing brand for first homebuyers, and PHirst Park Homes Tanza

ompleted 4 more uildings with a total sales value of over Php 11.6 billion

Breaks ground with Mitsubishi Corporation for Century Diamond Tower

Partnered with Mitsubishi

Corporation to develop housing units for First Home buyers



Launched Batulao Artscapes, its first residential tourism estate





1986

2018







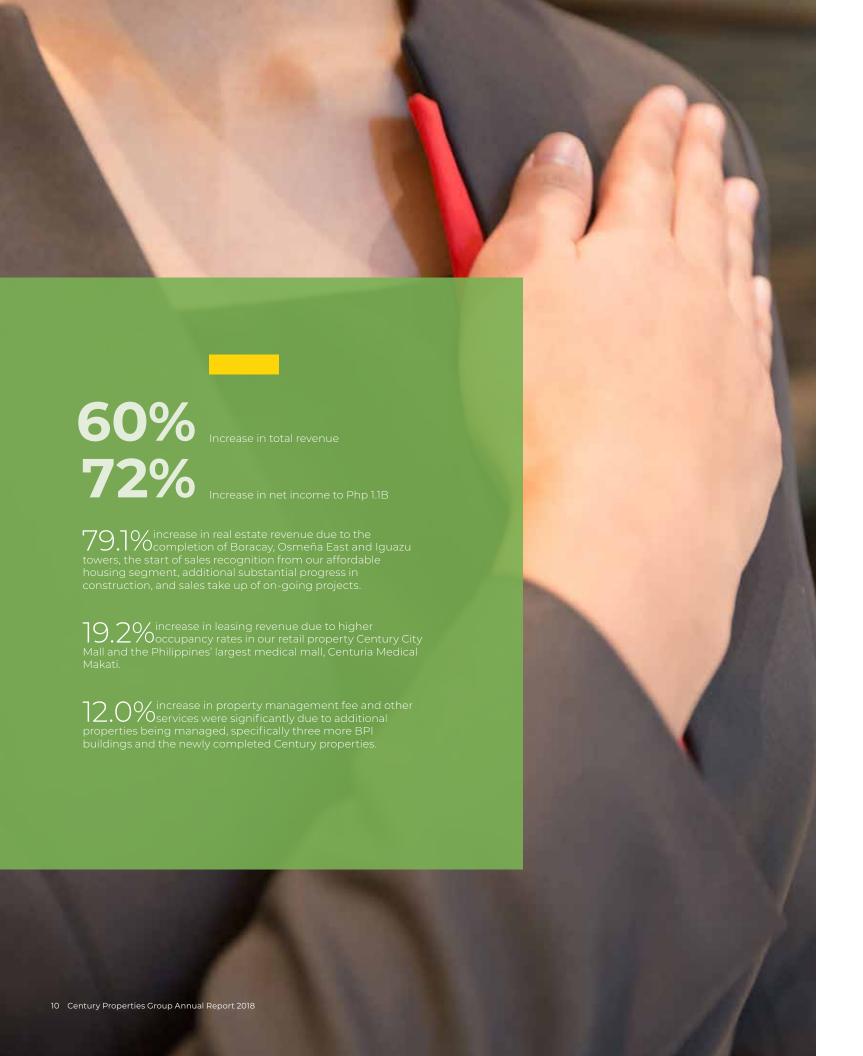






Registered full year net income of Php 1.1 billion, a remarkable 72% growth from Php 650 million in 2017





2018 PERFORMANCE HIGHLIGHTS

			Movement	
	2018	2017	Amount	%
REVENUE				
Real estate revenue	9,576.67	5,345.94	4,230.73	79.14%
Leasing revenue	407.27	341.66	65.61	19.20%
Property management fee and other services	395.46	352.97	42.49	12.04%
Interest income from real estate sales	322.48	665.20	(342.72)	-51.52%
	10,701.88	6,705.77	3,996.11	59.59%
COST AND EXPENSES				
Cost of real estate revenue	5,655.40	2,806.48	2,848.92	101.51%
Cost of leasing	227.75	237.81	(10.07)	-4.23%
Cost of services	276.55	270.73	5.83	2.15%
	6,159.70	3,315.02	2,844.68	85.81%
GROSS PROFIT	4,542.17	3,390.75	1,151.42	33.96%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	3,254.53	2,964.06	277.52	9.36%
OTHER INCOME (EXPENSES)				
Interest and other income	568.66	801.08	(245.36)	-30.63%
Gain from change in fair values of investment properties	376.90	286.03	90.87	31.77%
Gain (loss) from change in fair value of derivatives (Note 9)	115.79	(35.61)	151.41	425.13%
Income from investment in associate	12.43	_	12.43	100.00%
Unrealized foreign exchange loss	(145.19)	(53.85)	91.34	169.62%
Interest and other financing charges	(594.28)	(403.48)	190.80	47.29%
	334.31	594.16	(259.85)	-43.73%
INCOME BEFORE INCOME TAX	1,621.96	1,020.85	601.11	58.88%
PROVISION FOR INCOME TAX	503.77	370.92	132.85	35.81%
NET INCOME	1,118.19	649.93	468.26	72.05%

TURN OF THE CENTURY 11



MESSAGE OF THE CHAIRMAN, PRESIDENT & CEO

Our Dear Shareholders:

I warmly welcome you to the Annual Shareholders' Meeting of Century Properties Group, Inc.!

Thank you for joining us to review the past fiscal year and to talk about the future of our company.

Year 2018 was exciting and fruitful for CPG. Following our past 33 years of significant milestones, we have completed thousands of units, formed strategic partnerships, and forged on with our diversification program that produced very remarkable results. Today, I am very proud to share with you our accomplishments and the favorable economic backdrop that is further driving our growth.

Our macroeconomic environment remains positive. The Philippines continues its resilience and registered a healthy 6.2% GDP growth. Such growth was largely due to the country's consistently strong domestic demand, brought forth by an increasing middle class that is comprised not only of OFW families, but also by the workforce of a burgeoning IT, BPO, and KPO sector.

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

The Philippine peso strengthened to 52 level on rising remittances, investment flows and a robust domestic economy. Our country's economic managers are confident that the Philippines' GDP growth will be sustained in 2019, targeting a growth of 6.5 % and maintaining the country's stature as one of Asia's fastest growing economies.

Growth drivers will of course include the business process outsourcing (IT-BPO) sector and tourism. The Asian Development Bank said a low unemployment rate, the sustained rise in remittances, and increased public investments in infrastructure will also contribute much to the Philippines' growth.

While it is widely known that our country's growth has resulted to a housing backlog of 6 million units, developers have barely kept pace with supply. Unmet demand reached 6.6 million in 2015. By the year 2030, it is estimated that housing needs will reach 12 million units.

Against this backdrop, CPG made significant progress in 2018 with its full-on entry into the affordable housing segment, targeting to supply homes in high-growth areas within the Philippines.

As you very well know, we took strides to build a stronger and better company 4 years ago through a diversification program that increased our investments in allied real estate sectors. From a developer focused on

high-rise condominium projects, CPG expanded into other areas. We now have four business platforms: in-city developments including our residential condominium projects; investment properties that will provide recurring income, horizontal affordable housing outside of Metro Manila that we now call PHirst Park Homes, Inc.; and leisure and tourism. We also maintain our property and asset management business through CPMI or Century Properties Management, Inc.

Under our in-city vertical developments, we have completed 3 additional buildings in 2018 equivalent to 1,185 units and 77,740 square meters of gross floor area and Php7.3 billion in sales value. These are Boracay Tower in Azure, Osmeña East Tower in Commonwealth and Iguazu Tower in Acqua.

Overall, CPG has sold 91% of over 20,000 units launched and completed 26 buildings with more than 14,000 units and 1.3 million square meters of gross floor area since it became a publicly listed company in 2012.

In 2017, CPG started expanding outside of Metro Manila for affordable housing, launching PHirst Park Homes Tanza in Tanza, Cavite. This product segment for first homebuyers was born out of CPG's commitment to help address the country's serious housing backlog while elevating the standards in its category at very competitive price points.

"A first that lasts" is the brand's core message, underscoring the company's



offerings through the 4Cs: a Complete home with a fence and gate; Conceptive amenities; Connectivity through WiFi nodes and shuttle transport; and Convenience.

Following the success of our Tanza project, we formed PHirst Park Homes Inc., a joint venture company with the global business enterprise Mitsubishi Corporation in 2018 to launch about 15 projects within the next 4 years with approximately 33,000 units. Each site will be 15 to 20 hectares equivalent to around Php57 billion in Project Sales Value, with capital expenditures estimated at around Php10 B over the first 5 years.

The market reception to our affordable housing line was highly remarkable that to date, we have launched three PHirst Park Homes communities – one in Tanza, Cavite; one in Lipa, Batangas; and one in San Pablo, Laguna. In total this is 64 hectares; 6,000 units and Php10.11 billion is sales value. This segment's contributions to the bottom line have grown to 11% of our 2018 revenue and 23% of our net income.

We thank Mitsubishi Corporation for its trust and confidence and for being very valuable partners in bringing quality housing to the first homebuyers' market.

With foreign tourism picking up and domestic tourism numbers even higher, we continue to recognize the good opportunities in the still largely untapped tourism and secondary home market. Our leisure and tourism development, Batulao Artscapes,

have sold 70% of 672 launched units, equivalent to Php2.9 billion in sales value as of December 2018. We still have a considerable land bank in our Batulao, Batangas and San Vicente, Palawan properties and are excited to launch new products in this category at the most favorable time.

CPG is also on a continuous rollout of its leasing assets to achieve a steady revenue stream. By the end of 2018, we officially opened the Asian Century Center, a 22-storey office building in Bonifacio Global City that was 75% leased out. We are also scheduled to complete by the end of 2019 the Century Diamond Tower, another joint-venture project we have with Mitsubishi Corporation, which will add another 58,000 square meters of leasable area to our portfolio.

Our leasing assets increased three times from 2017 to 2019, and by 2020, our leasing revenues are expected to hit Php 2 billion.

CPMI, CPG's property management arm, manages 46 projects as of December 31, 2018 with 2.58 million sq.m of GFA (with parking) under management. Of the total, 65% of the projects CPMI manages were developed by third parties.

With all these new developments within CPG's diversification program, it is my honor and privilege to note that our company is in excellent form more than ever and is poised to generate further growth.

Our diversification plan through our four business platforms have started bearing fruit and we are excited for the future.

Our full year 2018 net income of Php1.1 billion is a remarkable 72% growth from P650 million in 2017, owing to the additional substantial progress in construction and sales take up of our on-going in-city vertical developments, an office tower completion, and our affordable housing business.

For the first quarter of 2019, CPG continued its growth momentum with a remarkable 28% increase in net income to Php 384 million compared to Php 300 million in the same period last year. We expect to sustain this positive streak in the coming quarters.

Earnings before interest, tax, depreciation and amortization (EBITDA) in the full year of 2018 amounted to P2 billion, 55% higher than P1.3 billion in 2017. For the first quarter of 2019, we posted an EBITDA of P620M, a 35% increase from P460M in the same period last year.

Net income after tax (NIAT) margin improved to 10.4% from 9.7% due to reduction in operating expenses, as we endeavor to consistently improve efficiency in the company's operations.

CPG's Earnings Per Share improved to P0.085 in 2018 from P0.054 in 2017.

Our strong balance sheet supports our growth strategy.

Our total assets increased by Php6.8 B to Php49.4 B in 2018, mainly due to higher cash balance and increase in construction of our investment properties.

As of March 2019, total assets amounted to P49.3 billion. Our Debt to EBITDA has improved from 12x in 2017 to 10x in 2018. This has further improved to 8.3 times in the first quarter of 2019. We hope to keep this at single digit as we continue to build our revenue stream in the next years.

CPG's Return on Equity has also increased from 4.1% in 2017 to 6.6% in 2018 and 8.6% in the 1st quarter of 2019.

In terms of segment revenue contribution, the ultimate goal is to grow CPG's businesses and achieve a revenue mix of 1/3 each from our in-city developments through [mid-rise buildings or MRBs]; affordable housing through PHirst Park Homes, and leasing through our new commercial assets – to have a diversified net income mix with more sustainable cash flow and recurring income

Such goal stems from our business strategy of:

- Leveraging CPG's industry leading reputation and 33-year experience in the high-rise condominium market to develop mid-rise residential projects;
- Expanding outside of Metro Manila for affordable housing projects; and
- Expanding our commercial leasing portfolio prudently to diversify earnings and generate recurring income

We will execute this strategy by earmarking Php 30 billion in the next 3 years to continue driving CPG's expansion into allied real estate segments, specifically horizontal affordable housing in key urban centers outside Metro Manila, commercial leasing, and a new product line of medium-rise residential buildings.

The company will pursue the development of mid-rise residential buildings in the CBDs and its peripheries. Pricing will be within the medium cost category and identified project locations are in Quezon City, Mandaluyong, and growth centers in Pampanga. The first projects under the brand will be launched within the next 12 months.

The company will also continue expanding outside of Metro Manila through PHirst Park Homes, our horizontal affordable housing product. We will roll out our projects in Pandi, Bulacan; General Trias, Cavite, and Calamba, Laguna in the coming months.

CPG also plans to build mixed-use leasing projects in Pampanga, Quezon City, and Makati to further grow its 300,000 sqm of leasing assets as well as leasing revenues of P2B by 2020.

Overall this covers 250.6 hectares of land bank which we are building to further expand our footprint in city, as well as strategic tourism destinations and provincial growth centers.

The future is indeed bright and promising.

We took strides to build a stronger and better company 4 years ago through a diversification program that increased our investments in allied real estate sectors.

The ultimate goal is to grow CPG's businesses and achieve a revenue mix of 1/3 each from our in-city developments, affordable housing, and leasing to have a diversified net income mix with more sustainable cash flow and recurring income

We will execute this strategy by earmarking Php 30 billion in the next 3 years

The company will pursue the development of mid-rise residential buildings in the CBDs and its peripheries.

PHirst Park Homes Inc. will launch 33,000 affordable housing units in 15 projects within the next 4 years with Php 57 billion in project sales value

Leasing assets increased three times from 2017 to 2019. By 2020, our leasing revenues are expected to hit Php 2 billion.

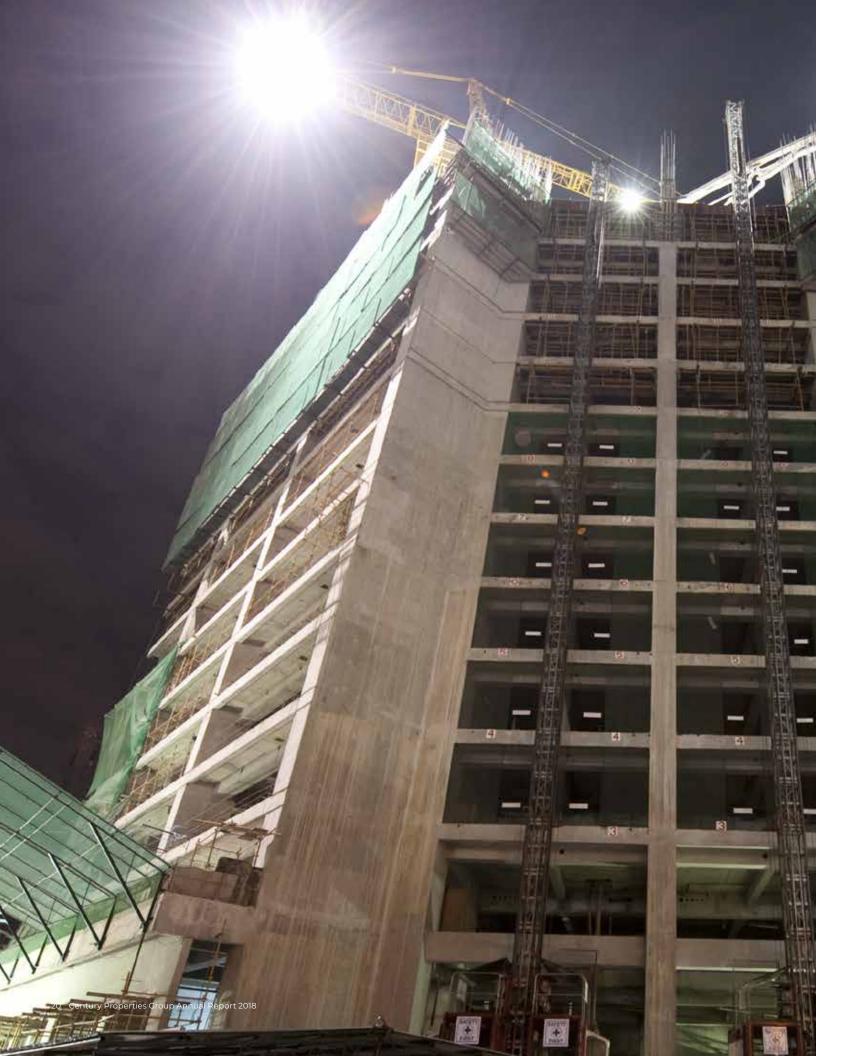
250 hectares of land bank will expand our footprint in city, strategic tourism destinations, and provincial growth centers

To those who continuously work to elevate CPG to new heights, we are grateful to all of your time, hard work and support. Thank you to our shareholders for your trust and confidence. Thank you to our Board of Directors for your steadfast dedication, the valuable perspectives you bring, and your wise counsel.

Thank you and have a pleasant day.

JOSE E.B. ANTONIO Charman, President, and CEO Century Properties Group, Inc.





The Philippines is poised to become the fastest growing economy in Asia. No less than the Asian Development Bank made this recent pronouncement based on the country's stronger macroeconomic fundamentals, as well as its "unprecedented infrastructure overhaul, tax reform and young workforce."

Recent upgrades in the Philippines' investment grade ratings are also good indications of increased business confidence and a buoyant economic environment. Our average pace of growth in the last five years was 6.4%, a far cry from a country that was once branded the Sick Man of Asia and beset with high inflation.

We have seen such remarkable growth in our country in the past decade that makes us even more optimistic about the future.

This growth story is backed by solid indicators:

- More than 70 quarters of uninterrupted economic growth since 2001, with a 6.4% average growth from 2014 to 2018.
- A healthier and a much stronger Philippine banking system, which bagged a higher score early this year for its improved institutional framework and ability to "withstand"

- emerging risks from currency volatility, slower growth, and global macroeconomic headwinds."
- A stronger currency, with the Philippine peso being among Asia's turnaround stories as it bounced back after a slew of economic reforms, growing OFW remittances, and a proactive central bank policy according to Bloomberg.
- An improved balance sheet, resulting in several credit rating upgrades.
- A steady price environment, with inflation easing in the first quarter of 2019 at 3.6%, and averaging at 2.7% from 2014 to 2018.

As a result, the overall economic outlook remains positive and confidence is high among investors, the business sector, and consumers.

The country's sound fundamentals are backed by a strong domestic consumption, brought forth by an increasing middle class that is

comprised not only of overseas Filipino professionals and their families, but also by a burgeoning IT, BPO, and KPO sector. Domestic demand for goods is returning because of the easing inflation, which is now well within the Bangko Sentral ng Pilipinas' 2 to 4% target rate.

OFW remittances continue to be one of the main sources of our GDP growth with an astounding US\$32.2 million in 2018, and so is the IT-BPO sector, which employs 1.19 million employees and posted \$23.8 billion in revenues as of June 2018. By 2022, the latter sector targets to generate a total of 1.8 million direct jobs, 7.6 million more direct and indirect IT-BPM (information technology-business process management) employment, 500,000 jobs outside of the National Capital Region, and earn US\$40 billion in revenues – making up 15% of the global IT-BPM market share.

THE "ASIAN CENTURY"

Our economic growth is also directly associated with all the exciting events happening in Asia.

Researchers predict that in 15 years, two-thirds of the world's middle class would be found in this region, and 60 percent of the global middle-class spending will come from Asia. That is an estimated US\$ 33 trillion of the potential US\$ 56 trillion in forecasted world spending.

The bold pronouncement is, Asia will outgrow the world in the next decade and a half. The World Economic Forum (WEF) very aptly calls this period, the "Asian Century."

In one of its market reports, Leechiu Property Consultants said Asia will contribute 50% of the world's Gross Domestic Product (GDP) by 2020.

Asia's GDP is predicted to reach US\$ 38 trillion by 2030 from just US\$ 12

trillion in 2010, compared to the US, which would have only reached US\$ 25 trillion and Europe, US\$ 23 trillion, in the same period. WEF said the region makes up 60 percent of the total world population, with ten times as many people as Europe and twelve times as many people as North America.

The 10-nation Association of Southeast Asian Nations (ASEAN) is also a bright spot in this regional story. According to HSBC, the present China-US trade tensions will have a negative impact overall, but this impact is seen far less in ASEAN countries, where "slowing exports will be muted by resilient domestic demand."

A previous HSBC report also said the ASEAN is "on its way to become one of the world's leading consumption hubs, fueling demand for a variety of goods and services, including financial." The report adds that the "economic

Asia will outgrow the world in the next decade and a half. The World Economic Forum (WEF) very aptly calls this period, the "Asian Century

boom of the ASEAN is resulting in the emergence of a new middle class."

The ASEAN has a population of 600 million and the International Monetary Fund (IMF) notes that half of its projected population will be under the age of 30. This potential market, notes the Asian Development Bank, is larger than the European Union and North America, and next to China and India, ASEAN has the "world's third largest labor force that is relatively young."





YOUNG POPULATION

The Philippines is contributing much to the ASEAN's booming population, with an annual population growth rate of 1.6% and 107 million-strong Filipinos. In addition, our country is going through a golden demographic age – where 50% are below 24 years old – providing the labor pool to growing industries and business sectors, and fueling consumption, retail, and housing demand.

Based on data from the Philippine Statistics Authority (PSA), in April 2019 the total population 15 years old and over was estimated at 72.5 million. Of this number, 44.5 million persons were in the labor force, placing the labor force participation rate (LFPR) at 61.4 percent.

This young and 72.5 million-strong workforce gives the Philippines compelling advantage over other countries in Asia, according to business analysts. The country's higher literacy rate of 96.6% and English proficiency are credited for its rising productivity growth since the last decade, said a World Bank Open Data report.

The Information Technology and Business Process Association of the Philippines (IBPAP) forecasts that the IT-BPO industry's growth will continue through 2022, following its upward growth trend and US\$22.1 billion revenue in 2017.

According to the World Bank, Philippine IT-BPO revenue will reach US\$ 38.9 billion by 2022. An additional 654,000 jobs will be generated for the same period. Further, business consulting firms observed that the United States is investing heavily in knowledge-based process outsourcing (KPOs), which expands the Philippines' hold "beyond back office and call centers, and into more complex services such as legal work, fintech, accounting, engineering and animation. The IT-BPM Roadmap anticipates these mid-skill to high-skill jobs will represent 73 percent of the industry by 2022."

The growing population, coupled with high LFPR, are driving strong domestic consumption. With about 1.2 million jobs coming in from the IT-BPO industry as well as growing remittances of more than US\$30 billion yearly from OFWs to their families back home, the domestic consumer market is increasing.

The PSA reports that household final consumption expenditure grew by 5.6 percent in the second quarter of 2019. Food and non-alcoholic beverages share 41.3 percent of the total household expenditure. Education is at 14.5 percent. Housing, water, electricity, gas and other fuels are at 5.8 percent; Communication at 5.1 percent; Transport at 2.9 percent; Restaurants and Hotels at 5.4 percent; and Furnishings, Household Equipment and Routine Household Maintenance at 4.7 percent.

More and more people are going to malls and engaging in online shopping to purchase gadgets, cars, homes, and travel more often. They are also spending on education and health care – things that will improve their stature in and quality of life.

THE GOLDEN AGE OF INFRASTRUCTURE

Adequate infrastructure is critical to our rapid economic growth, and it is highly encouraging to see the national government increase its spending on major infrastructure programs not just in Metro Mania but across the country. With all these new developments, CPG will continue to focus its land banking in areas where major infrastructure projects are being rolled out to unlock real estate opportunities and deliver highly accessible communities and destinations.

The Asian Development Bank, a partner of the government's Build, Build, Build program, noted how the government has ramped up infrastructure spending to "6 percent of the Gross Domestic Product (GDP) at present, with a target to "reach 7.4 percent of the GDP in 2022."

There are more than 21 major land transportation projects ongoing that will dramatically cut back travel time for all. Within the capital, worth noting are the Metro Manila Skyway Stage 3 from Quezon City to Makati (from two hours to 20 minutes); the NAIA X Phase II that adds a four-lane expressway from NAIA to PAGCOR Entertainment City (from 24 minutes to 8 minutes); the NLEX-SLEX connector road (from 2 hours to 20 minutes); the BGC-Ortigas Center Link Road Project (to reduce travel time to 12 minutes); and of course, the MRT 7 that targets to aid in decongesting EDSA by connecting our train systems from

We are now entering the 'Golden Age of Infrastructure'—where our structures, facilities, and services are safe, efficient, reliable, cost-effective, resilient, and sustainable—and its effects will be widely manifested through the smooth and efficient flow of people, goods, services, and information by way of increased mobility and seamless interconnection.

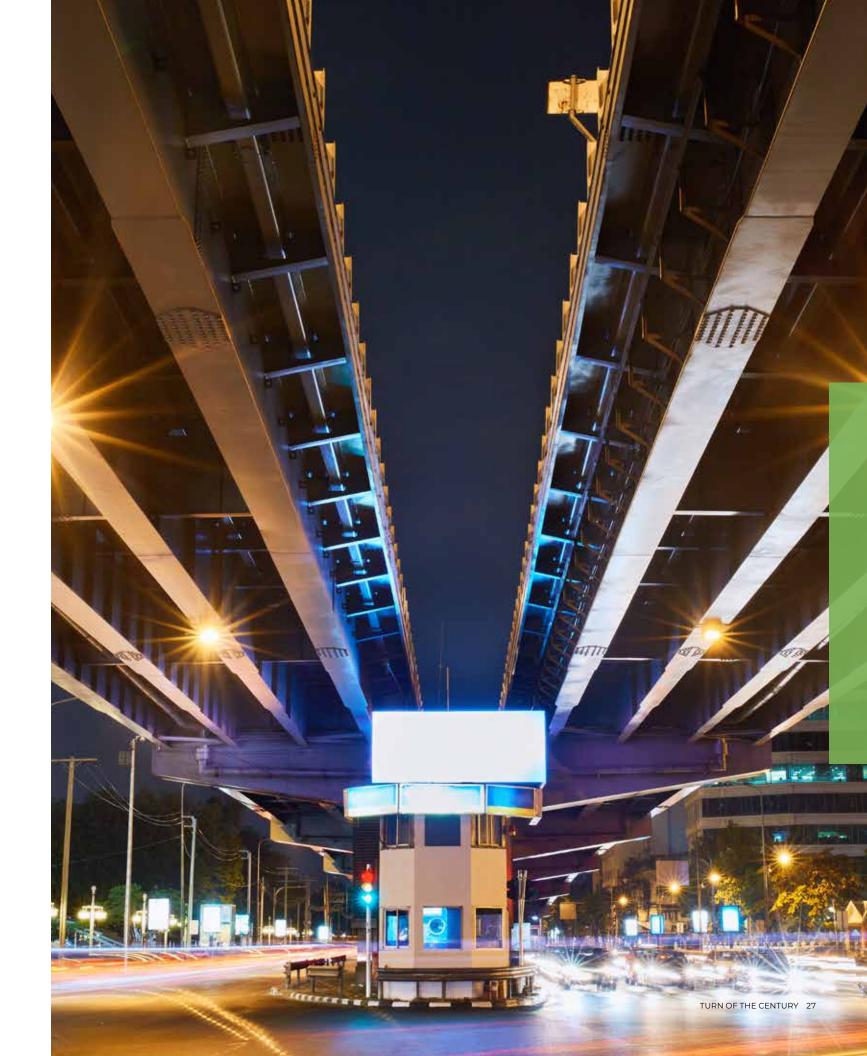
– Secretary Mark Villar, The Department of Public Works and Highways

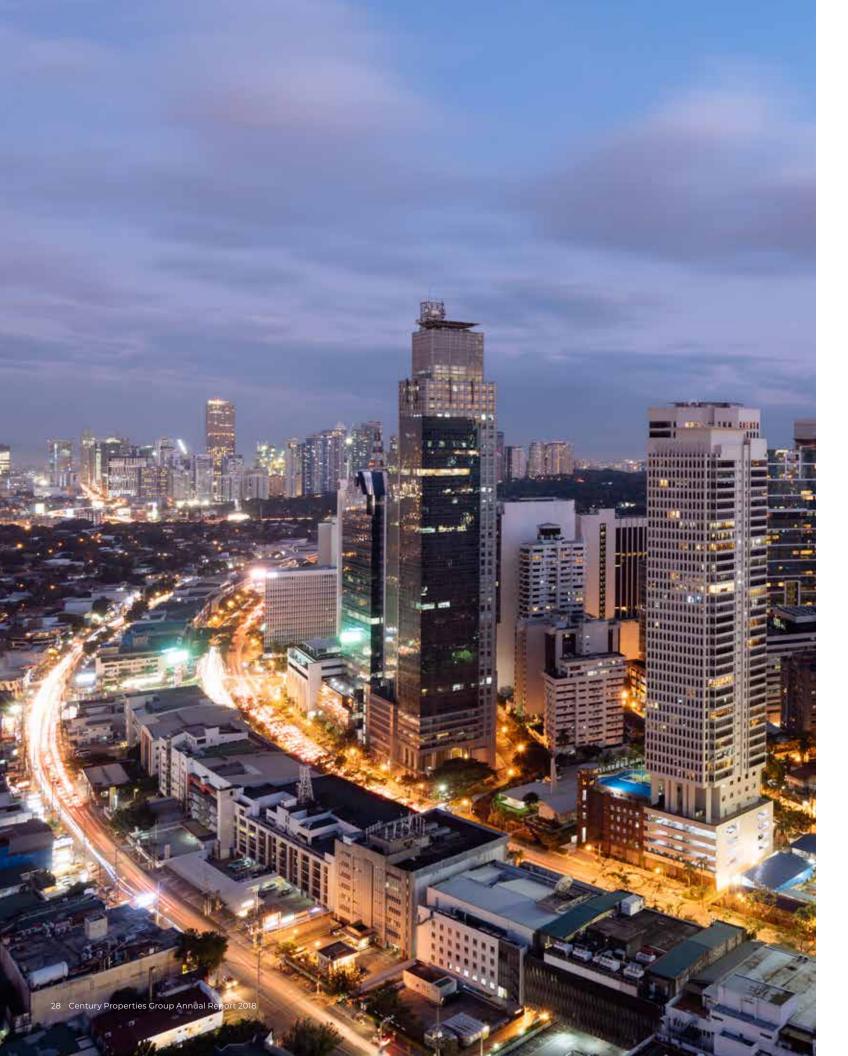
the south and adding 14 stations from North Avenue to San Jose Del Monte, Bulacan by 2023.

Farther out of Metro Manila, the 45-kilometer Cavite-Laguna Expressway connecting Kawit, Cavite to SLEX Mamplasan will reduce travel time from 1.5 hours to 45 minutes: the Luzon Spine Expressway Network Program will construct 940 kilometers of highstandard highways and expressways; the NLEX Harbor Link expressway will provide access to NLEX without passing through EDSA or Balintawak Toll Plaza; the Philippine National Railways (PNR) North 2 Project will connect Malolos in Bulacan, Clark Airport, and Clark Green City; and the Clark International Airport New Terminal Building will increase the airport's capacity by 8 million per year and accelerate the growth of Central Luzon.

More bridges, airports, and highways are being built in numerous parts of the country from Luzon to Mindanao. Also underway are additional schools, evacuation centers and flood management projects. Some 28 projects under the Build, Build Build program could be completed before 2022, according to the National Economic Development Authority.

The government's increased infrastructure spending will not only generate jobs (4.2 million jobs generated since 2016) and promote higher incomes but will also stimulate demand and significantly increase economic output overall. In the long term, it will increase productivity as mobility improves, and goods, services, and key destinations become more accessible.





"NEXT EAST ASIAN SUCCESS STORY"

With solid macro fundamentals and sustained reforms, the outlook for the Philippines is it will stay resilient to external headwinds and can sustain its economic growth.

The World Bank said, "the Philippines has the potential to become the next East Asian success story", and the country's vision to "become a prosperous, resilient, middle-class society free of poverty by 2040 is an achievable goal."

Achieving this will require continued reforms, added the World Bank, citing the government's comprehensive tax reform program that made "the tax system equitable to taxpayers" and "raising more revenues to finance the government's priority programs and projects."

If the current administration's additional proposed tax reforms will be approved by Congress, a bill seeking to slash the corporate income tax rate will boost the country's competitiveness in attracting foreign direct investments while rationalizing fiscal incentives to ensure that tax perks are properly targeted, performance-based, time-bound and transparent.

This bill, currently under deliberation, is HB 8083 or the "Tax Reform for Attracting Better and High-Quality

Opportunities" (TRABAHO Bill), formerly the "TRAIN 2". Among its important provisions are the reduction of the corporate income tax rate from the current 30% to 28% in 2021, 26% in 2023, 24% in 2025, 22% in 2027, and 20% in 2029.

RIPPLE EFFECT AND NEW OPPORTUNITIES IN RESIDENTIAL REAL ESTATE

The overall positive outlook and strong fundamentals of the Philippines continue to create a ripple effect on the economy and propel the growth of the real estate sector.

The real estate industry, in turn, affects about 50 other industries: from construction materials; plumbing and electrical supplies; fittings, furnishings, and furniture; creating new retail, office and residential communities across the country; to providing labor and employment opportunities – thereby contributing further to the country's economic growth.

Notable property consultants Colliers, JLL, and Leechiu had in fact posted very positive 2018 results, a doubledigit growth forecast for 2019, and new opportunities for the sector in the coming years.

IN-CITY VERTICAL DEVELOPMENTS

In its Q4 2018 and Q1 2019 market reports, Colliers underscored the strong demand in the residential pre-selling and leasing markets for condominiums, noting the contribution of the secondary market comprised of foreign

and local professionals. The demand is specifically coming from the "take-up of newly-completed condominium units especially in the established business districts of Makati CBD, Fort Bonifacio, and the Bay Area." Supply can still meet the forecasted demand of 7,000 units within 2019, and Metro Manila's condominium stock within the next three years "is expected to grow 19.3% to 141,760 units."

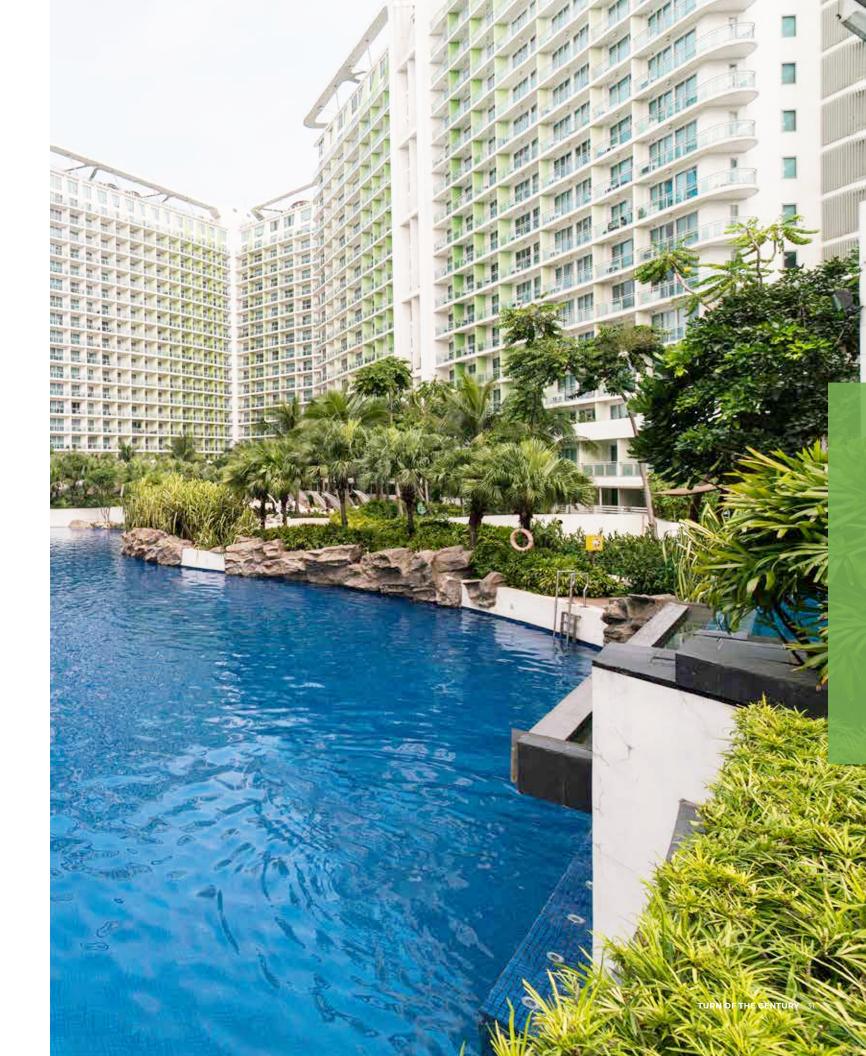
AFFORDABLE HORIZONTAL HOUSING

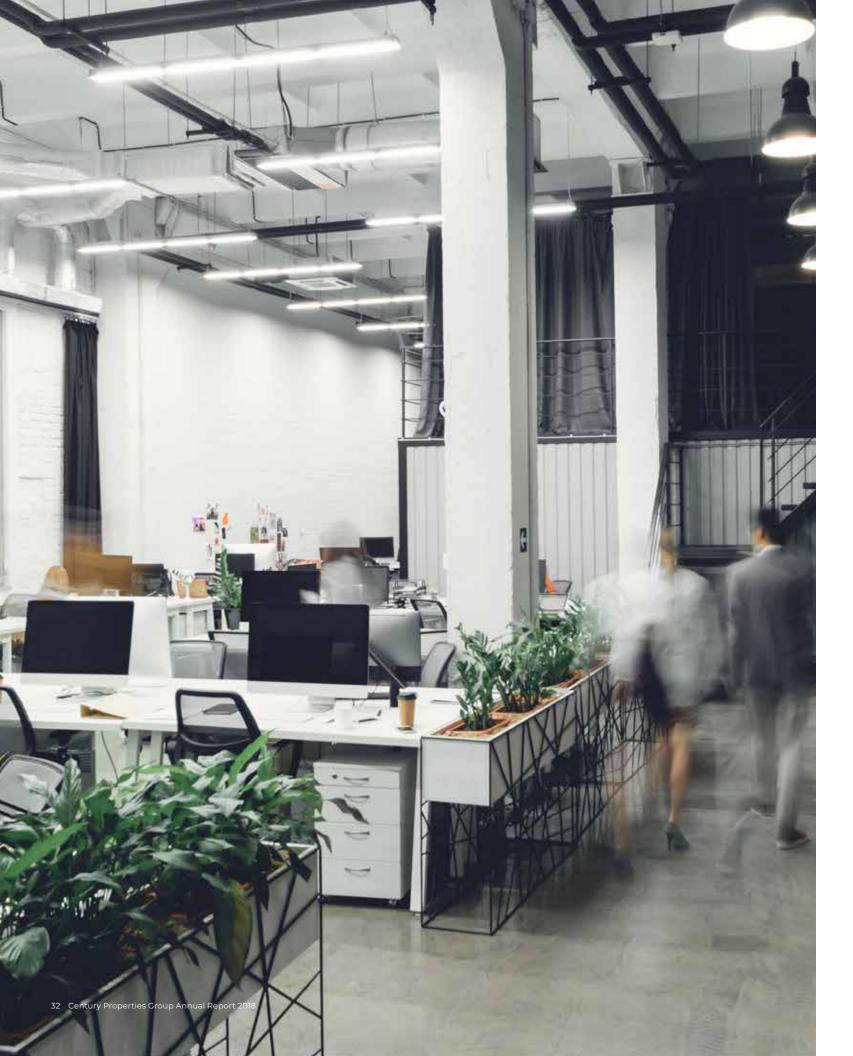
Affordable housing continues to be a bright spot in the residential real estate sector for property developers. Philippine property portal Lamudi, in its 2018 affordable housing study, said the supply of affordable homes in the country has not kept up with the demand and quoted the industry report "Impact of Housing Activities on the Philippine Economy" (by the Center for Research and Communication of the University of Asia and the Pacific and Subdivision and Housing Developers Association), which puts the backlog at 6.7 million in 2015. Add this to the new housing need for the period 2016 to 2030 at approximately 5.6 million and the total would be 12.3 million homes.

Based on its search data from the first half of 2018, Lamudi said that "those looking for homes priced at Php3 million or less looked into properties priced Php1.7-3 million. This was followed by searches for homes within the next price range-between Php450,000 and Php1.7 million. Those being sold for less than Php450,000 only received a fraction of the searches or at about six percent."

Online searches came mostly from women at 64%, and the dominant age for searchers of affordable homes is within a young bracket of 25-34 years old. Housing seekers for the Php1.7-3 million priced homes are from Quezon City (40%), Makati (21%), Manila (10%), and Bacoor (5%).

With the "Build, Build, Build" program progressing and improving connectivity from the Philippine capital to the outskirts, key growth cities, and the provinces, more developments will be sure to follow and make home ownership for Filipinos even more affordable and inclusive – plus the hours and cost of commute much more manageable.





RIPPLE EFFECT AND NEW OPPORTUNITIES

COMMERCIAL, OFFICE

For the office sector, Leechiu Property Consultants said significant demand continues to come from IT-BPM industry (information technology and business process management) with such upward trend seen since 2017 and "now having 102,000 square meters take-up in three months (of 2019)."

The firm's chief executive officer David Leechiu noted: We expect for it to grow at a faster pace and reach the forecasted 450,000 sqm take-up in 2019 should there be more PEZA (Philippine Economic Zone Authority) spaces available in the market." He added that with or without the second package of the Tax Reform for Acceleration and Inclusion (TRAIN), more IT-BPM firms are coming back after completing their diversification program from the Philippines, and because of labor wages in the United States which are climbing to new highs.

In an Inquirer report, JLL stated that an estimated 1 million square meters of office space was added in 2018 to the current stock. Of the 9.1 million existing office space, 72% had been leased out. Vacancy rate remained at a manageable 7%. JLL attributes the office space take



up to Business Process Outsourcing (BPO), Online Gaming, and Flexible Workspace providers.

Solid demand maintained the growth of the office rental market, JLL said, despite "interest hikes, delayed Philippine Economic Zone Authority (PEZA) accreditations on buildings and apprehensions on the Tax Reform for Acceleration and Inclusion (TRAIN) 2 law. Capital values also gained steadily due to the sound business environment which continued to buoy investors' interest."

Additionally, there is much interest in Philippine real estate investment trusts (REITs), which the South China Morning Post (SCMP) said will likely take off this year after the government amends a REIT law passed more than a decade ago with clearer and perhaps more relaxed implementing rules and regulations. The SCMP report states that the country's REIT market could be worth between US\$8 and US\$9 billion, amidst a bullish property sector, growing economy, and the government's aggressive infrastructure projects.

RIPPLE EFFECT AND NEW OPPORTUNITIES

CO-LIVING, CO-WORKING

With economic development also comes evolving lifestyles and work cultures. The Philippines has seen a "social revolution" in recent years, where more and more of the younger population engage in a freelance or so-called "gig economy" and no longer need a traditional office setup in order to complete a task. For conventional office workers, employees and even students, the increasing amount of time spent on traffic around the metro continues to largely affect productivity.

For both markets, Co-living and Co-Working spaces are eyed as the best solutions.

Co-living spaces are modern dormitories where a genuine sense of community is fostered while using shared amenities and facilities at very attractive prices, and often in locations strategically located near schools, places of work, and access to retail and other modern conveniences. The community is cultivated by a professional host.

With increased IT-BPM activity and the emergence of offshore gaming, Colliers recommended for developers to offer "creative leasing models such as co-living, highlight features of projects such as landscaping, retail options, and accessibility." Aside from the growing demand for such spaces coming from working professionals and students, such a "leasing scheme could also help

buyers lease out their units and attain their anticipated rental yields."

Co-working spaces, according to Lamudi, are flexible or temporary workspaces - shared office spaces managed by operators for freelance workers, startup companies, smaller corporates, and information technology firms. Leasing comes with basic equipment (phone lines, desks, and chairs, to name a few) and tenants or individuals are given access to these without the requirement of a long-term commitment in terms of contract or lease duration.

A report by the flexible workspace specialist The Instant Group said that "the demand for flexible workspaces in the Asia Pacific (APAC) has had the fastest growth in the world over the last 12 months." The compounded annual growth rate (CAGR) of flexible workspaces in the Asia Pacific from 2014 to 2017 is currently estimated at 35.7%, exponentially faster than the recorded CAGR of U.S. at 25.7% and Europe at 21.6%.

Seven out of the 10 largest and fastestgrowing global markets for flexible workspace are found in the Asia Pacific, according to the report. "Hong Kong is still the largest city in Asia for flex workplace with 340 identified centers."

In the Philippines, there are currently 110 coworking spaces in Metro Manila

alone from the 80 centers recorded in 2017. Colliers International refers to the flexible workspace as "a fundamental part of commercial real estate" in their 2018 report.

Lamudi further shared that "Offshoring and Outsourcing (O&O) and corporate businesses are the main occupiers of serviced offices followed by startups and smaller enterprises such as corporate and IT firms."

"This demand can be associated with three things: (1) the lack of big space, (2) the increase in the number of small businesses, and (3) the growth in the need for a more flexible work schedule demanded by the workforce. This kind of work arrangement is said to improve productivity and efficiency among workers and this was reported as the key benefit and the primary driver of this change."

As an active participant to nation-building, Century Properties Group, Inc. has begun to seize these exciting market opportunities to create worthwhile lifestyle experiences for its customers and build shareholder value over time. Given all the right conditions, the company is highly optimistic about the future of the Philippines and commits to align its business strategies to where pressing demands are, as well as keep its ears on the ground for new market needs and desires that we need to serve.





OUR BUSINESS STRATEGY AND GROWTH PLATFORMS

With a robust macroeconomic environment and supportive government policies, Century Properties Group, Inc. (CPG) will seize the right opportunities to deliver sustainable growth in the long term for its customers and shareholders.

Our company has made significant headway in our diversification program as we increased investments in allied real estate sectors and expanded outside Metro Manila. From being concentrated in high-rise condominium projects, CPG undertook a diversification plan that commenced four years ago. We now have three main growth platforms which will create a healthy mix of projects:

- (1) In-city developments that include our residential condominium projects
- (2) Investment properties
- (3) Horizontal affordable housing outside of Metro Manila

New CPG businesses will soon be launched from the above growth platforms as we continue to build the company's brand equity while evolving with new, innovative projects that are market-relevant and are expected to drive long-term sustainable growth.

CPG will to grow these businesses and achieve a revenue mix of 1/3 each from our in-city developments (including our new upcoming product line of mid-rise buildings or MRBs); affordable housing through PHirst Park Homes; and leasing through our new commercial assets. This will allow the company to have a diversified net income mix with more sustainable cash flow and recurring income.

IN-CITY VERTICAL DEVELOPMENTS

Our real estate revenue grew by 79.14% on the back of several project completions, including the Boracay tower at Azure Urban Resort Residences in Paranaque City, Osmeña East tower at The Residences at Commonwealth in Quezon City, and the Iguazu tower at Acqua Private Residences in Mandaluyong City; as well as additional

substantial progress in construction; and the sales take up of on-going projects.

From 2012 to 2018, Century Properties Group, Inc. has completed 23 residential projects, consisting of 13,001 units and an aggregate gross floor area (GFA) of 962,563 sq.m. (inclusive of parking).



Completed Projects Since CPG's Public Listing

		-	CEA:	1.1.35	.,
	Location	Type	GFA in sq.m. (with parking)	Units	Year Completed
Century City			(with parking)		Completed
Gramercy Residences	Makati City	Residential	121,595	1,432	2012
Knightsbridge Residences	Makati City	Residential	87,717	1,329	2013
Milano Residences	Makati City	Residential	64,304	516	2016
Trump Tower	Makati City	Residential	55,504	267	2017
Subtotal			329,120	3,544	
Azure Urban Resort Residences					
Santorini	Parañaque City	Residential	36,126	553	2013
Rio	Parañaque City	Residential	42,898	756	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
Subtotal			283,208	4,504	
Acqua Private Residences					
Niagara	Mandaluyong City	Residential	33,709	474	2015
Sutherland	Mandaluyong City	Residential	41,705	735	2015
Dettifoss	Mandaluyong City	Residential	36,536	607	2016
Livingstone	Mandaluyong City	Residential	40,251	675	2016
Iguazu	Mandaluyong City	Residential	35,937	492	2018
Subtotal			188,139	2,983	
The Residences at Commonwealth by Centr	ury				
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
Subtotal			73,630	1,052	
Canyon Ranch					
Phase 1 & 2	Carmona, Cavite	Residential	79,178	776	
Moderno	Carmona, Cavite	Residential	9,289	142	
Subtotal			88,467	918	
Grand Total			962,563	13,001	
Century City Mall	Makati City	Retail	52,233	N/A	2013
Centuria Medical Makati (168 units for lease)	Makati City	Medical Office	74,103	707	2015
Asian Century Center	BGC, Taguig City	Office Building	56,284	55	2018
Total			182,620		

 ${\it Note: Excludes projects completed by Meridien}$



Beginning 2019, we will grow this in-city vertical developments platform into a new business with an upcoming product line for the young workforce, signaling our commitment to provide the affordable to middle-income segment with quality residential properties.

As we have completed 23 out of 32 launched high rise condo buildings from 2012 to 2018, with the remaining nine (9) buildings to be substantially completed in the next two years, we will seek to leverage our industry-leading reputation in

the condominium market to foray into mid-rise condominium and town homes projects, which shall be less capital intensive, and which will have a quicker cash cycle. We shall seek to also complete these projects within three (3) years, as opposed to the current 5-year construction cycle, in order to reduce carrying costs in general, administrative and interest expenses.

This shall be accomplished through our land bank and joint venture developments in our upcoming mixeduse projects in various sites in Quezon City, Mandaluyong and Pampanga.



P R I M A

Our new brand for in-city developments

Owning a home near one's place of work has become increasingly difficult nowadays because of the prohibitive cost of land in the city. In response to this need, Century Properties Group brings Century Prima, a new brand and concept of in-city development targeting young professionals, entrepreneurs, and young families who want to get better value for their hardearned investments.

Century Prima are medium-rise residential developments located near central business districts that offer well-planned yet affordably priced condominium units. These in-city vertical villas are designed with features and amenities not usually offered by other similar developments. These include highly-amenitized social areas equipped with fast wifi connections, ample storage spaces inside the units and within the common areas, fully equipped gyms, hip lounges with signature coffee shops, and bars providing avenues for the young, mobile professional to network or relax after a hard day's work. The architecture will be modern and reflect the exciting lifestyle of young professionals.

STRATEGIC LOCATIONS

These hip residential communities are located within or near the periphery

of Central Business Districts to save on commute or driving time from the worsening traffic of the metro. Their highly strategic and accessible locations will enable the young homeowner to be more productive and live a convenient lifestyle at the same time.

FASTER CONSTRUCTION TIME. FASTER TURNOVER.

owner, construction time up to turnover of each vertical villa is envisioned to be no more than 24 months. This is made possible because Century Prima are low density residential developments that aim to keep a floor to development area ratio of 3 to 5 or between 5-10 floors per building community.

The faster turnover cycle benefits not only the unit owner but also shareholders of Century Prima because of higher internal rate of returns and lesser financial risks involved.

GENUINE VALUE FOR MONEY

Century Prima developments will be designed by leading architects and backed by the track record of Century Properties Group in creating top-notch homes. To add value, each development will offer more generous parking areas, flexible modular vertical villas that can be combined if needed.

expansive and wider windows, higher floor to ceiling height, and more storage spaces inside each home and in the common areas. In addition, eac vertical villa will be designed to have a balcony whenever possible to provide space for homeowners.

AFFORDABLE PRICING.

Monthly amortizations will be carefully planned to suit the budget of the young professional. Toward this end, monthly amortizations will be kept at a price range of Php25,000 - Php35,000 which can be covered with a bank financing for a period of up to 20 years

MOVING FORWARD.

Century Prima is expected to grow through land acquisitions and joint ventures. Presently, we are set to launch 4 new projects strategically located in 1) Katipunan, Quezon City, 2) Mandaluyong City 3) San Fernando, Pampanga, and 4) Clark, Pampanga. These new developments will generate approximately close to 7,000 units with Gross Revenue of Php 27 Billion and Ne Income of Php5 Billion. These projects are ready to be launched in the next 12 months





PRIME URBAN LEASING PROPERTIES

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

In addition to our 119,000 sq.m. of leasable space by 2019, wherein the company plans to generate Php2 billion of leasing revenue by 2020, we seek to develop more leasing projects once we have further completed our condominium projects that are expected to generate free cash flow. CPGI hopes that the leasing segment will contribute at least 30% of its net income in the next three (3) years.

This shall be accomplished through our land bank and joint venture developments in our mixed-use developments in Katipunan, Quezon City, Novaliches, Quezon City and Clark Global City, Pampanga. We completed the Asian Century Center in 2018 in Bonifacio Global City with 30,000 square meters of net leasable area. The building was already 75-percent leased prior to its December 2018 opening.

In the third quarter of 2019, CPGI is delivering another PEZA-accredited green office building, Century Diamond Tower, in Century City Makati with 59,000 square meters of leasable space. CPG's first hotel project at Acqua, the four-star business hotel Novotel Suites Manila in partnership with ACCOR Hotels, will be completed in the same period.

Our other leasing projects are Century City Mall and Centuria Medical Makati, whose higher occupancy rates for 2018 registered a 19.20% increase in leasing revenue for CPGI. In the future, we are looking at the bright prospects of Co-Living and Co-Working spaces, as another means of growing our investment portfolio and our commercial leasing business, through our properties in Quezon City and Clark, Pampanga.

Starting 2019, we will assign the Century Co. brand to this growth platform, which will organize all our commercial ventures into one name and company. "Co." also stands for several other things, such as Community, Convenience, Coworking and Co-Living, Collaboration, and Cooperation.

Completed Investment Properties

Total	. 3 3 ,		182,620		
Asian Century Center	BGC, Taguig City	Office Building	56,284	55	2018
				168 (lease)	
Centuria Medical Makati	Makati City	Medical Office	74,103	539 (sale)	2015
Century City Mall	Makati City	Retail	52,233	N/A	2013
			(with parking)		Completed
	Location	Туре	GFA in sq.m.	Units	Year

Note: Excludes projects completed by Meridien



Building Passion for Life's Firsts

Our horizontal affordable housing brand

CPG's 79.14% increase in real estate revenue for 2018 was due in part to the start of revenue recognition from the affordable housing segment, which amounted to Php1.1 billion for the for the year ended December 31, 2018.

Because the affordable housing market continues to be underserved, its backlog has reached 6.6 million homes especially in the CALABARZON region, where most OFW families are based. This prompted CPG in 2017 to enter the first homebuyer market, which is defined as units between Php1 million to Php3 million per housing unit. The income per household for this market is around Php40,000 to Php80,000 per month.

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

To supplement our balance sheet, CPGI has partnered with the global business enterprise Mitsubishi Corporation for the affordable market under the company name PHirst Park Homes, Inc., wherein CPGI is a 60% common equity holder, and Mitsubishi Corporation is a 40% common equity holder.

At present, the PHirst Park Homes brand has developments in Tanza, Cavite; Lipa, Batangas; and San Pablo, Laguna. Collectively, this is 64 hectares in total land area with a total inventory of 6,000 units and a sales value of Php 10.11 billion.

PHirst sold 82% of 3,096 launched units for Tanza and Lipa equivalent to approximately Php3.5B in sales value as of yearend December 2018.

The 26-hectare PHirst Park Homes Tanza, Cavite has sold 1,566 units with a sales value of approximately P2.2 billion as of yearend December 2018. A thousand homes are under construction with 250 units completed. Of this, 100 homes were turned over at 100% acceptance rate. Price range is at hpP1.5 to Php3.8 million.

The 20-hectare PHirst Park Homes in Lipa, Batangas was launched in 2018 and has sold out more than half of its total inventory as early as September 2018 with net sales for 900 out of a total of 1,846 homes of approximately Php 1.16 billion (need yearend 2018 sales). Price range is at Php1.4 to Php3.3 million

The 18.5-hectare PHirst Park Homes San Pablo was just launched in March 2016 and offers a total of 1,640 homes with Php2.7 billion in sales value. Homes are priced at Php1.3 to 3. million.









PHIRST PARK HOMES: A FIRST THAT LASTS

Century Properties Group is transforming the affordable housing category with PHirst Park Homes, the company's first-home division and brand.

PHirst Park Homes was born out of the company's commitment to help address the country's serious housing backlog while elevating the standards in its category at very competitive price points.

"It is a premium brand within the affordable housing category that celebrates the very important milestone of first-time home ownership. More importantly, it espouses pride of ownership," said PHirst Park Homes President Ricky Celis.

The brand name is a play on the words first and PH, which represent hardworking Filipino end users who deserve only high quality first homes. PH also stands for the Park Homes concept, which integrates greenery and life-enhancing amenities into the masterplan to create a truly liveable and lovable community for first homebuyers.

"A first that lasts" is the brand's core message, underscoring the company's 4Cs: Complete, Conceptive, Connected and Convenient, said Loren Sales, Customer Management Group Vice President of PHirst Park Homes.

The projects of PHirst Park Homes in Tanza, Cavite; Lipa, Batangas and San Pablo, Laguna have received positive market response because of

their attractive and unique features. Townhouse and single attached units feature a move-in ready concept, in which homes are delivered Complete with a perimeter fence and gate, finished ceiling, flooring and bathrooms. Provisions for future space expansions, and space for garden or a carport are included in the package.

PHirst is also introducing engaging and "Conceptive" amenities that go beyond the basics. The development pioneers the "Park Homes" concept, which integrates a Central Amenity Park, a Linear Park, and other life-enhancing amenities into the masterplan.

In PHirst Park Homes Tanza, distinct amenities include an outdoor cinema while PHirst Park Homes Lipa revives the joy of traditional Filipino games with activity nodes for piko (hop pod), patintero (base pod), taguan (maze pod), tumbang preso (treble pod with a giant pamato), and holen (marble pod). PHirst Park Homes San Pablo introduced health and wellness amenities.

PHirst communities are "Connected" to life's essentials through Wi-Fi zones with reliable internet service and a shuttle system that will take residents to the nearest transport hub. "Convenience" comes through a simplified buying process for future homeowners.

In terms of safety, the developments have 24/7 security including a guard house, a high reinforced concrete perimeter fence and CCTV cameras and monitoring system. It is also flood-free.

"PHirst Park Homes raises the bar of what affordable housing is and should be in the Philippines. We are pushing the envelope to make beautiful, welldesigned homes attainable to a wider market – legacy homes that the next generation will enjoy," Celis said.

Century's first home venture is a partnership with the global business enterprise and one of Japan's largest conglomerates, Mitsubishi Corporation. Within the next 5 years, the brand, under the company names PHirst Park Homes, Inc. will launch 15 masterplanned communities in Calabarzon and Central Luzon with approximately 33,000 homes. Nearterm launches will be concentrated in the booming provinces of Laguna, Bulacan and Cavite, where several major infrastructure projects of the government are in various stages of construction and development.

Century's first home segment effectively expands the company's portfolio of residential offerings, from luxury and mid-priced condominiums in the business districts and city centres to first homes in horizontal communities within key growth areas outside Metro Manila.

Century's leadership in pioneering developments over the last 32 years puts a stamp of quality on PHirst Park Homes, and the community's heart and soul will come from the many first memories there that its homeowners will create.



CENTURY PROPERTIES AND MITSUBISHI CORPORATION FORM A JOINT VENTURE COMPANY FOR AFFORDABLE HOUSING

In May 2018, Century Properties Group Inc., led by its Chairman and CEO Jose E.B. Antonio announced the signing of a joint venture agreement with global business enterprise Mitsubishi Corporation to establish a company for affordable housing.

Capitalizing on the country's demand for affordable housing, which has an estimated backlog of roughly 6.6 million units, the new joint venture company will pursue the development of projects of scale in key locations outside of Metro Manila under a new brand called PHirst Park Homes.

The joint venture company named Phirst Park Homes, Inc. was incorporated after the Joint Venture Agreement has secured clearance from the Philippine Competition Commission.

The decision to pursue a portfolio of projects through a new company was a brought about by the success of Century's and Mitsubishi's initial joint venture project, PHirst Park Homes Tanza in Tanza, Cavite, a 26-hectare project that has a total of 3,000 units in the P1 to 3 million per unit price range.

The company is looking to launch projects initially in the CALABARZON and Central Luzon regions. Once it

established technical and market scale, it will then expand into the Visayas and Mindanao regions.

Based on current plans, PHirst Park Homes, Inc. aims to launch about 15 projects within the next 5 years with a total of roughly 33,000 units. Each site will be 15 to 20 hectares and it is currently in various stages of land banking. This is equivalent to around P57 billion in Project Sales Value, with capital expenditures estimated at around P10 billion over the first 5 years.

To help achieve its sales target, PHirst Park Homes will leverage on the success of CPG in marketing not just locally, but also in territories where it has established offices such as North America, Europe, Middle East and Asia Pacific.

Under the terms of the agreement, CPG will subscribe to 60 percent and Mitsubishi to 40 percent of the authorized capital stock equivalent to P5 billion over the same 5-year horizon.

In announcing the new venture, Chairman Antonio said that the partnership comes with great benefits, including a broad scope to grow the business. "Our joint venture partnership with Mitsubishi Corporation solidifies Century's plans of diversification and strengthens its positioning not just in the affordable housing category, but in the broader first home buyer market. We thank Mitsubishi for its continued trust and confidence in Century Properties. Our relationship has certainly been fruitful to date with our two projects with them – both for the office building in Century City, and in Tanza, Cavite to date. It is but natural to take it to the next level. We look forward to forming this new company with Mitsubishi and work on many exciting projects that will bring the best value in the market," said Century Properties Chairman and CEO Jose E.B. Antonio.

"The big housing demand, coupled by the natural and good chemistry between Century Properties and Mitsubishi Corporation, led us to a great milestone today –the signing of an agreement to form a joint venture company for affordable housing. This is not just for one project but for a long-term relationship that will make significant contributions in addressing the housing backlog in the Philippines," said Mitsubishi Corporation General Manager of ASEAN Urban Development Department Hidetoshi Suzuki

The joint venture partners share complimentary values and skill sets: Century Properties has over 30 years of experience in the real estate industry and has pioneered real estate concepts and industry firsts. Its mixed-use developments include Century City in Makati City, Azure Urban Resort Residences in Paranaque City, Acqua Private Residences in Mandaluyong City, Azure North in San Fernando, Pampanga, the Residences by Commonwealth in Quezon City, and Canyon Ranch in Carmona, Cavite.

Mitsubishi Corporation, on the other hand, brings to the partnership its expertise in development and technology. It is in businesses across virtually every industry, including industrial finance, energy, metals, machinery, chemicals, and daily living essentials. Its current activities have expanded far beyond its traditional trading operations to include investments and business management in diverse fields including natural resources development, manufacturing of industrial goods, retail, new energy, infrastructure, finance and new technology-related businesses.



(From left) CPG's affordable housing business unit President, Ricky Celis; affordable housing Managing Director Carlo R. Antonio; CPG Chairman and CEO Jose E. B. Antonio; Masahiro Nagaoka, Deputy General Manager, Mitsubishi Corporation (Manila); Hidetoshi Suzuki, General Manager, ASEAN Urb an Development Department, Mitsubishi Corporation (Tokyo); Kelichi Matsunaga, General Manager,

CENTURY PROPERTIES MANAGEMENT, INC.

30 years of professional property management services

Through our subsidiary Century
Properties Management, Inc., (CPMI),
CPG 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.

CPMI registered revenues of Php395.46 million in 2018, a 12% increase from Php352.97 million in 2017, mainly from the additional properties that came in, including three more BPI buildings and newly-completed CPGI projects.

In total, CPMI manages 46 projects as of December 31, 2018 with 2.58 million sq.m of GFA (with parking). Of this, 65 percent of the projects CPMI manages were developed by third parties. Notable third-party developed projects under management include the Asian Development Bank in Ortigas, One Corporate Center in Ortigas, BPI Buendia Center and Pacific Star Building in Makati City and Philippine National Bank Financial Center in Pasay City.

The Company manages both residential and commercial properties. The following table (see opposite page) sets forth information regarding residential properties under our management.

For the year 2018, CPMI conducted staff trainings to improve its operational readiness in the areas of customer service, security and safety, and the implementation of the Data Privacy Act.

CPMI also received its re-certification for ISO 9001:2015 Quality Management System, a testament to its continuous improvement in achieving customer satisfaction, cost efficiency, increased productivity, consistency in the delivery of service, and increased competitiveness.

In the same year alone, CPMI conducted 78 safety and security trainings across all its properties covering rescue operations, disaster preparedness drills, occupational first aid and CPR/AED, investigation, unarmed defense, and building safety and security. Trainings are conducted every six months and each detachment isolates the greatest skill requirements of their respective properties and exercises intensively in these techniques.

Physical fitness trainings are conducted year-round to develop agility, strength and endurance apart from teamwork and sportsmanship. These are conducted weekly, monthly and semi-annually. Emergency Response Teams per property periodically fulfill timed runs in their assigned rescue gear, ascending from the lowest basement level to the roof deck of the property and back.

All CPMI-managed buildings begin with emergency preparedness planning and trainings each year where first responders are grouped as Floor Brigade and Fire Brigade teams. To address more extreme emergencies, CPMI has capabilities to transform its Building Fire Brigade Team into a



Special Tactics Action Group. Further, earthquake drills are conducted twice a year on average in coordination with the police and local government units, and property management officers are extensively trained on what to do before, during, and after emergencies.

CPMI's safety and security teams have also earned awards this year, including event championships in four categories at the "Ten-in-One National Fire Brigade Competitions hosted by the Safety Organization of the Philippines, the Department of Interior and Local Government, and the Armed Forces of the Philippines.

RESIDENTIAL PROPERTIES

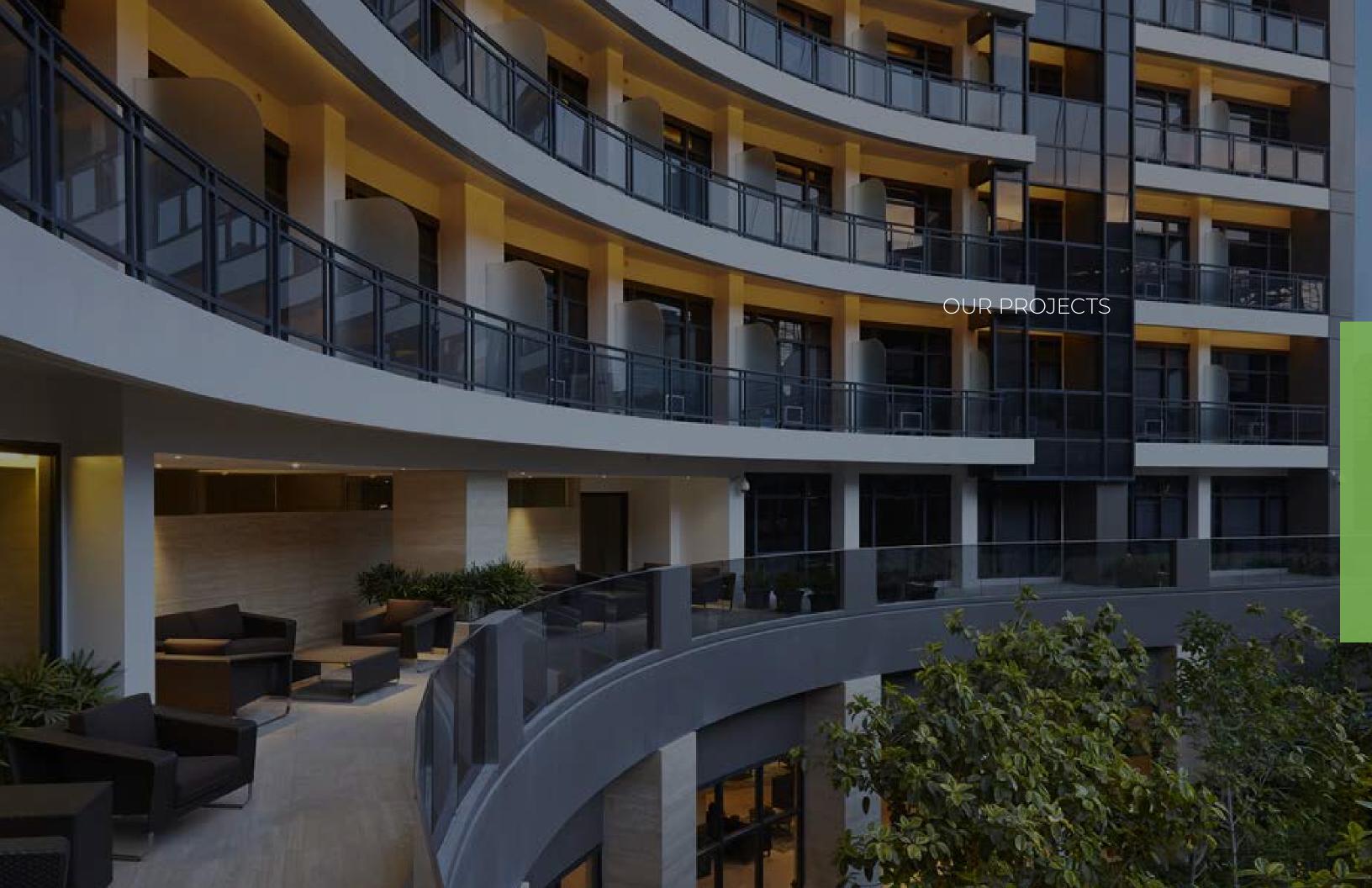
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32	TOTAL			1,371,117
1	West of Ayala Condominium	Makati	Meridien East Realty & Development Corp.	57,752
1	Two Lafayette Square	Makati	Megaworld Properties & Holdings, Inc.	17,189
1	Tiffany Place Condominium	Makati	River Oaks Realty Corporation	24,702
1	The Trump Tower	Makati	Century City Development Corp.	42,165
1	The Milano Residences	Makati	Century City Development Corp.	49,543
1	The Gramercy Residences	Makati	Century City Development Corp.	121,595
1	South of Market Condominium	Taguig	Meridien East Realty & Development Corp.	62,246
2	Skyway Twin Towers	Pasig	Amberland Corporation	95,417
1	Pioneer Highlands North	Mandaluyong	Universal Rightfield Property Holdings, Inc.	89,990
1	Paragon Plaza	Mandaluyong	Fil Estate Properties, Inc.	71,631
1	Le Triomphe Condominium	Makati	Meridien East Realty & Development Corp.	20,239
1	Knightsbridge Condominium	Makati	Century City Development Corp.	43,414
1	Grand Soho Makati Condominium	Makati	Century Properties, Inc.	29,628
2	Golden Empire Tower	Manila	Moldex Land Holdings	129,514
2	Essensa East Forbes	Taguig	Meridien East Realty & Development Corp.	115,00
1	Commonwealth Residences	Quezon City	Century Limitless Corporation	136,896
1	BSA Suites Condominium	Makati	ASB Development Corp.	22,925
1	Bel-Air Soho Condominium	Makati	Meridien East Realty & Development Corp.	9,468
6	Azure Urban Resort Residences	Paranaque	Century Limitless Corporation	125,216
4	Acqua Private Residences	Mandaluyong	Century Limitless Corporation	52,821
1	Astoria Plaza Condominium	Pasig	Millennium Properties & Brokerage	53,767
BUILDINGS	PROJECT	LOCATION	DEVELOPER	GFA (SQ.M.)
NO. OF				

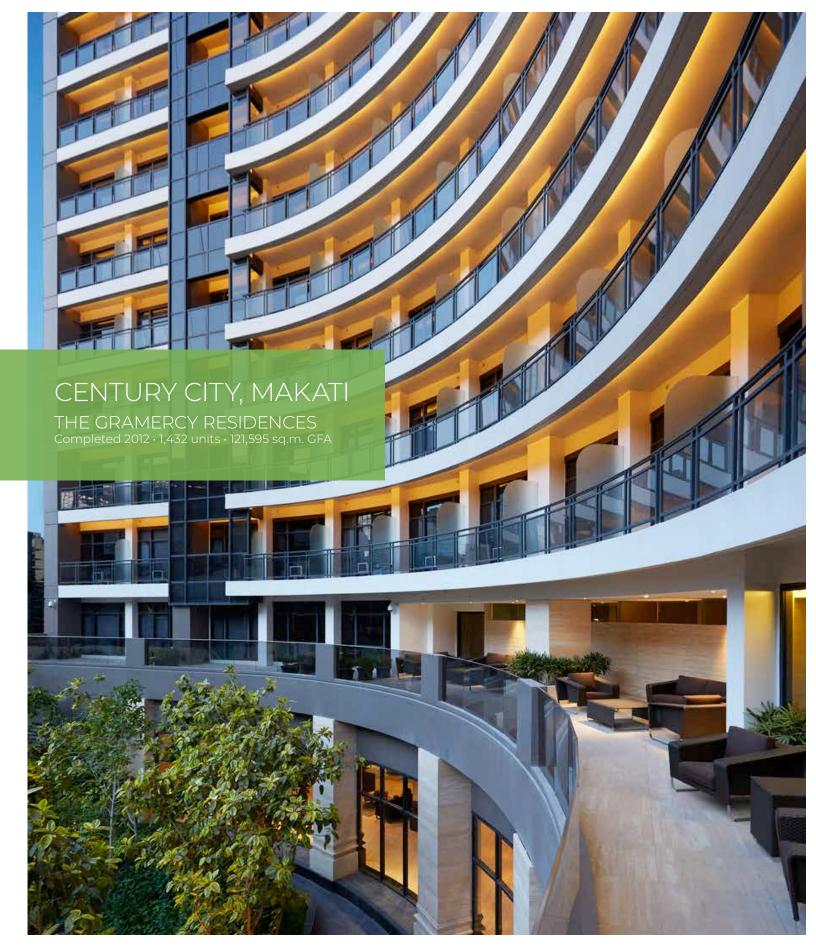
COMMERCIAL PROPERTIES

NO. OF

BUILDINGS	PROJECT	LOCATION	DEVELOPER	GFA (SQ.M.)
1	139 Corporate Center	Makati	Antel Realty & Development Corporation	24,426
1	88 Corporate Condominium	Makati	Belgen Realty Development, Inc.	37,677
1	AvecShares Asia, Inc.	Taguig	Avecshares Asia, Inc.	12,232
1	Asian Century Center	Taguig	Asian Carmakers Corp.	
1	Century City Mall	Makati	Century City Development Corp.	52,233
1	Centuria Medical Makati	Makati	Centuria Medical Development Corp.	45,103
4	BPI Makati Offices	Makati	Bank of the Philippine Islands	61,262
1	Innove Plaza Condominium	Cebu	Prosperity Properties & Management Corp.	12,031
1	Medical Plaza Ortigas	Pasig	Meridien Property Ventures, Inc.	34,642
1	One Corporate Center Ortigas	Pasig	Amberland Croporation	117,799
1	One Corporate Plaza	Makati	Inchport Realty Croporation	12,034
1	One Magnificent Mile Condominium	Pasig	Meridien Far East Properties	23,105
1	One San Miguel Avenue Condominium	Pasig	Meridien Far East Properties	64,577
1	Pacific Star Building	Makati	Penta Pacific Realty Corporation	95,302
1	Prestige Tower Condominium	Pasig	Amberland Corporation	58,698
1	Singapore Embassy	Taguig	Singapore Embassy	4,900
1	Solar Century Tower	Makati	Solar Entertainment Corporation	5,265
1	Union Bank Plaza	Pasig	Union Bank Plaza	76,893
21	TOTAL			738,179







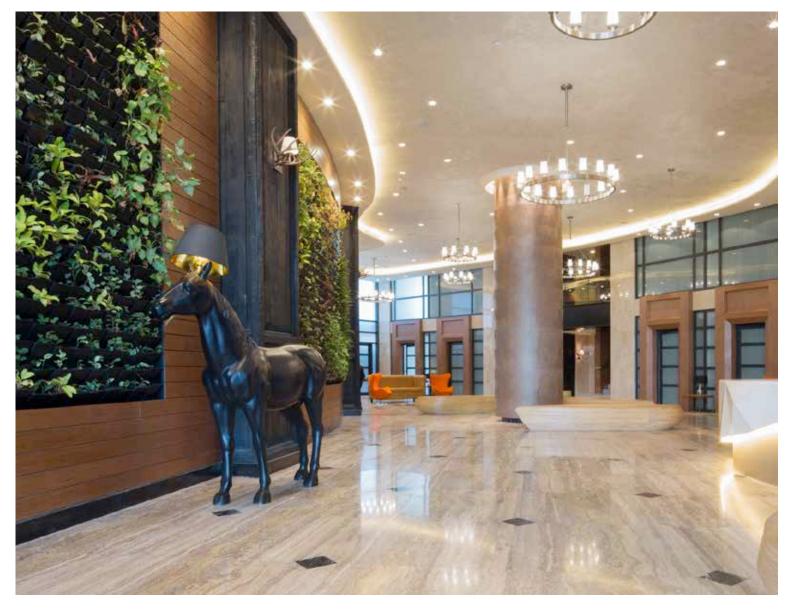




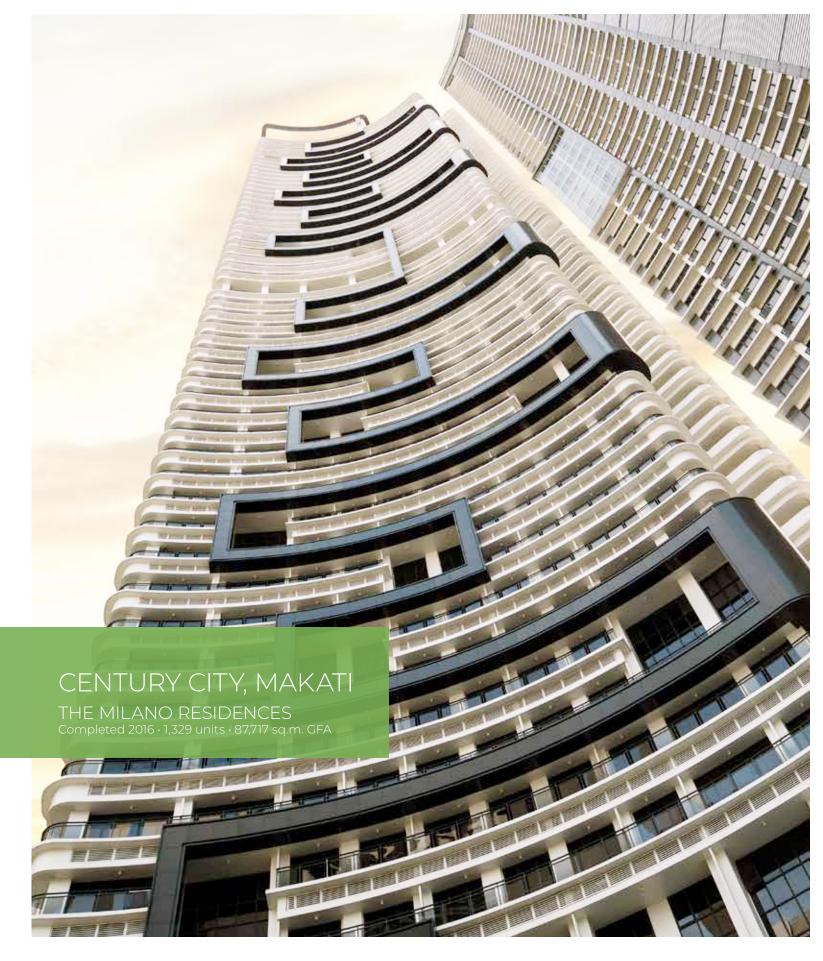










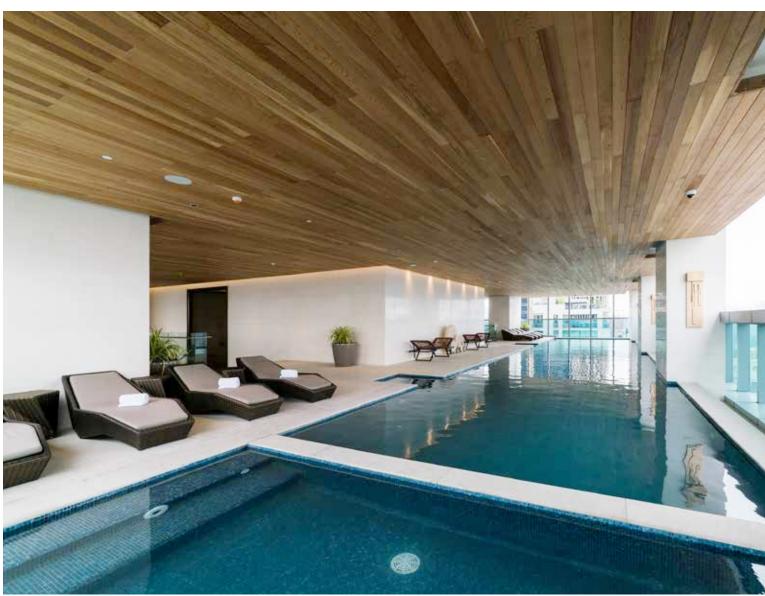












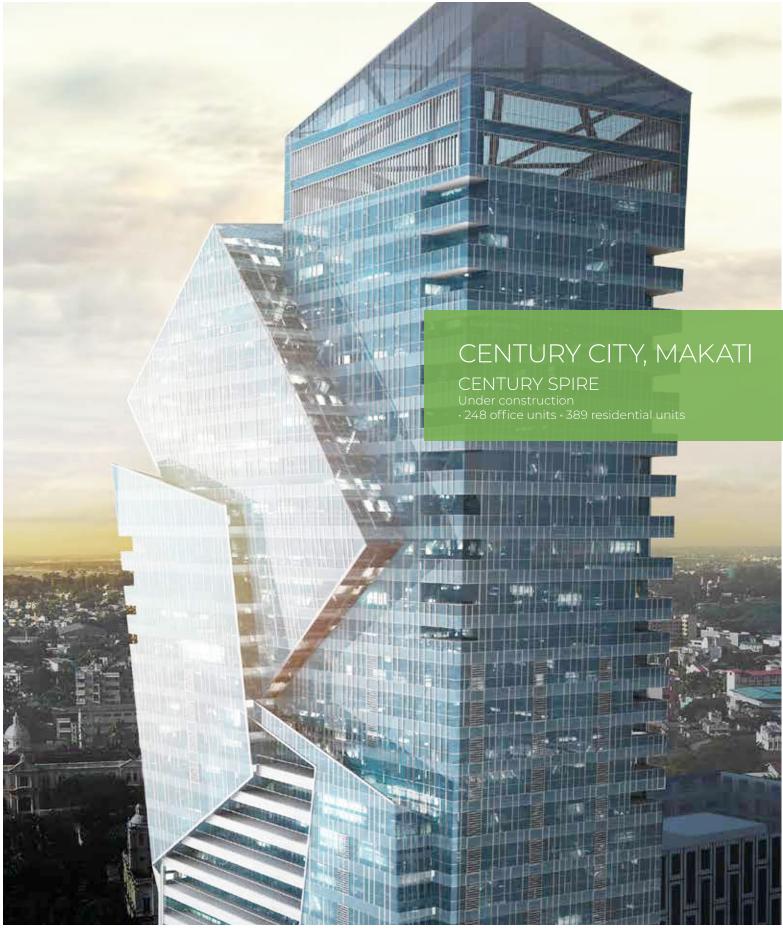
























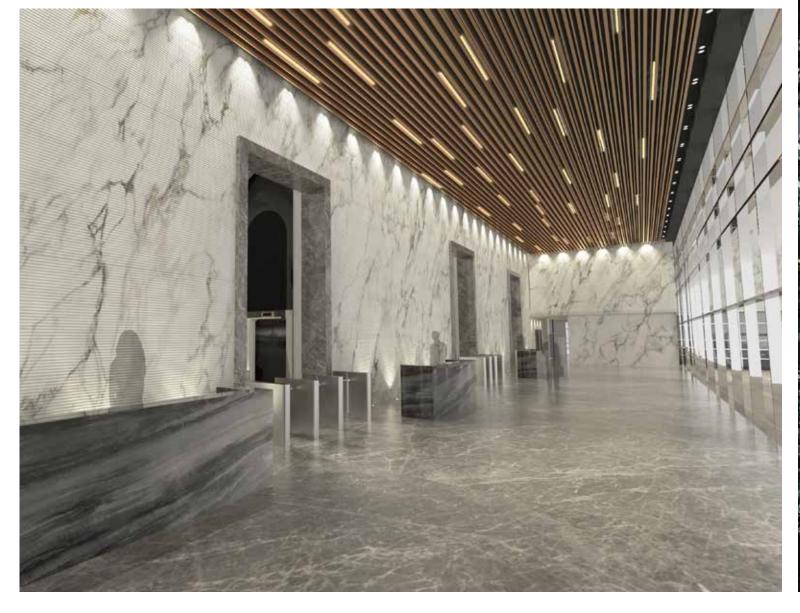




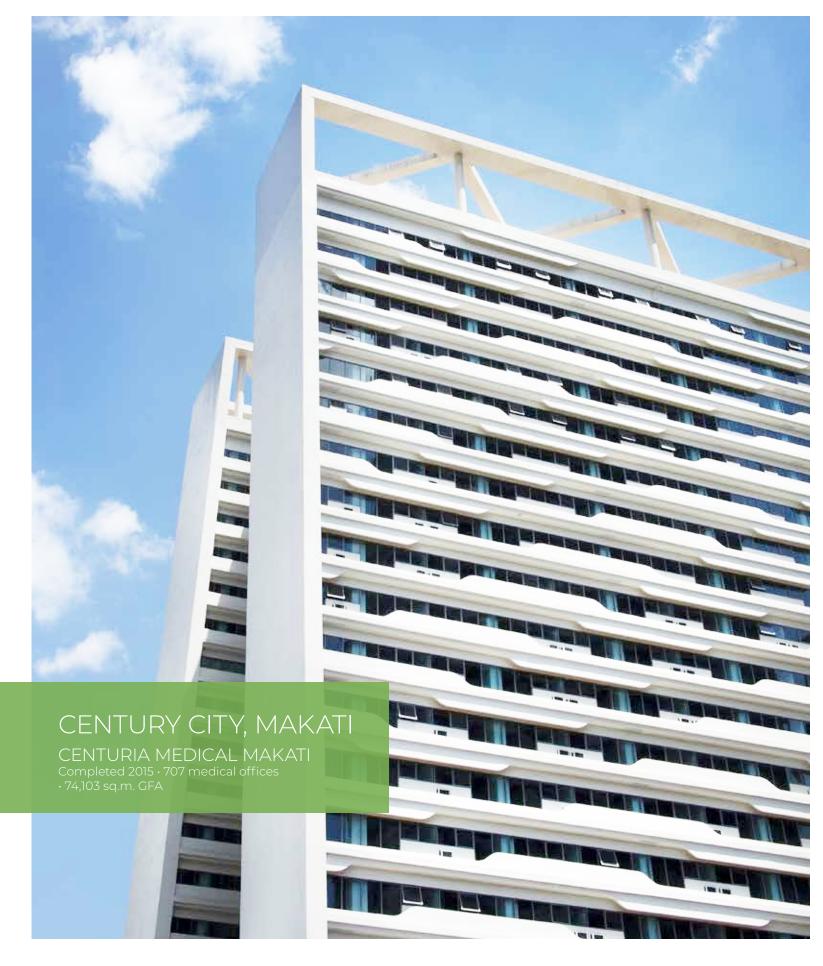










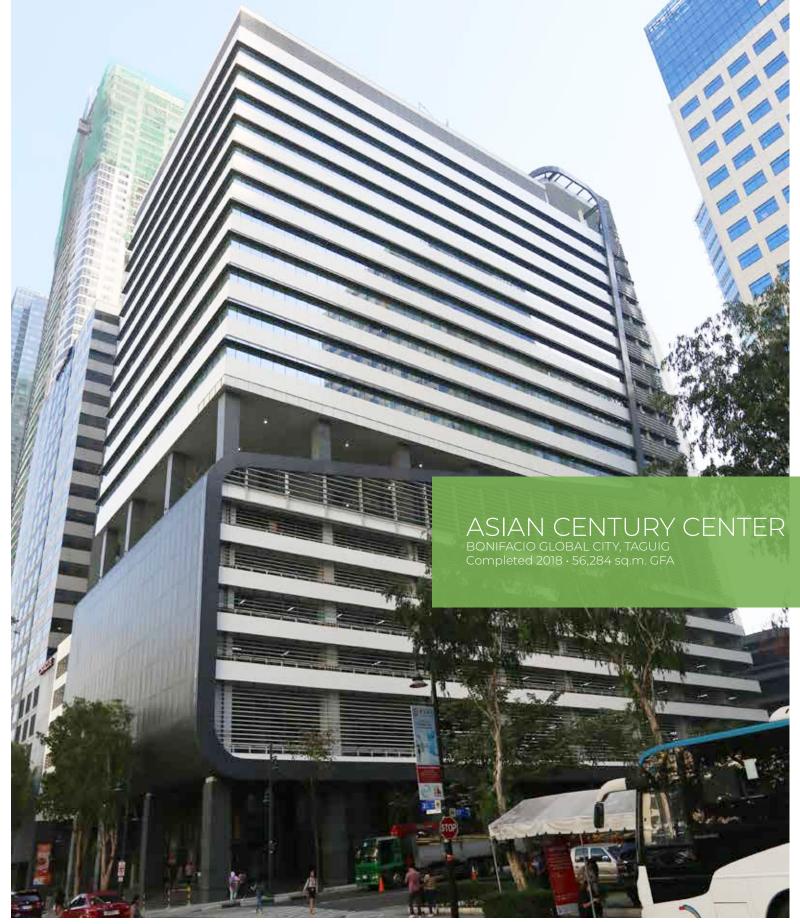


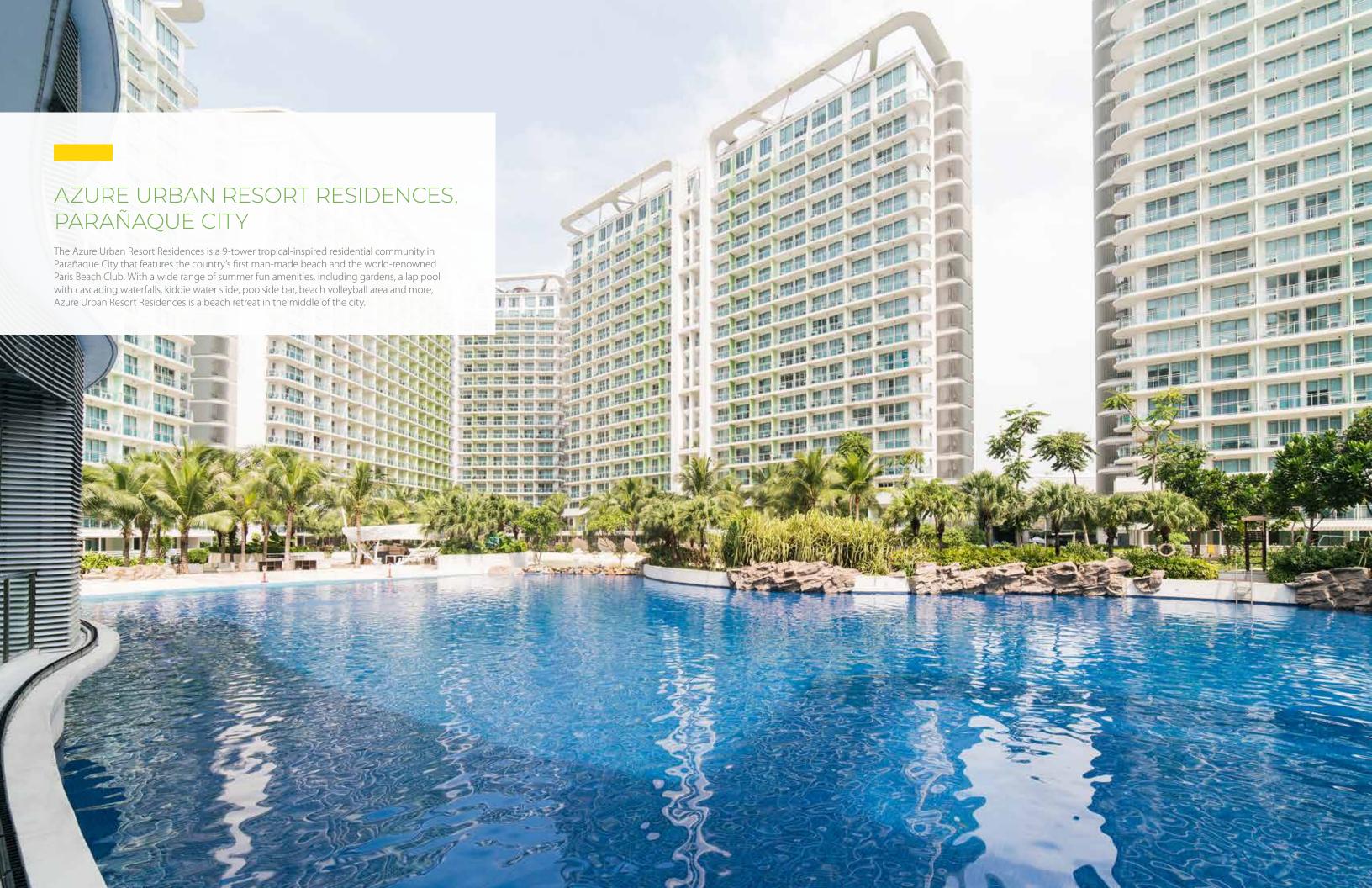


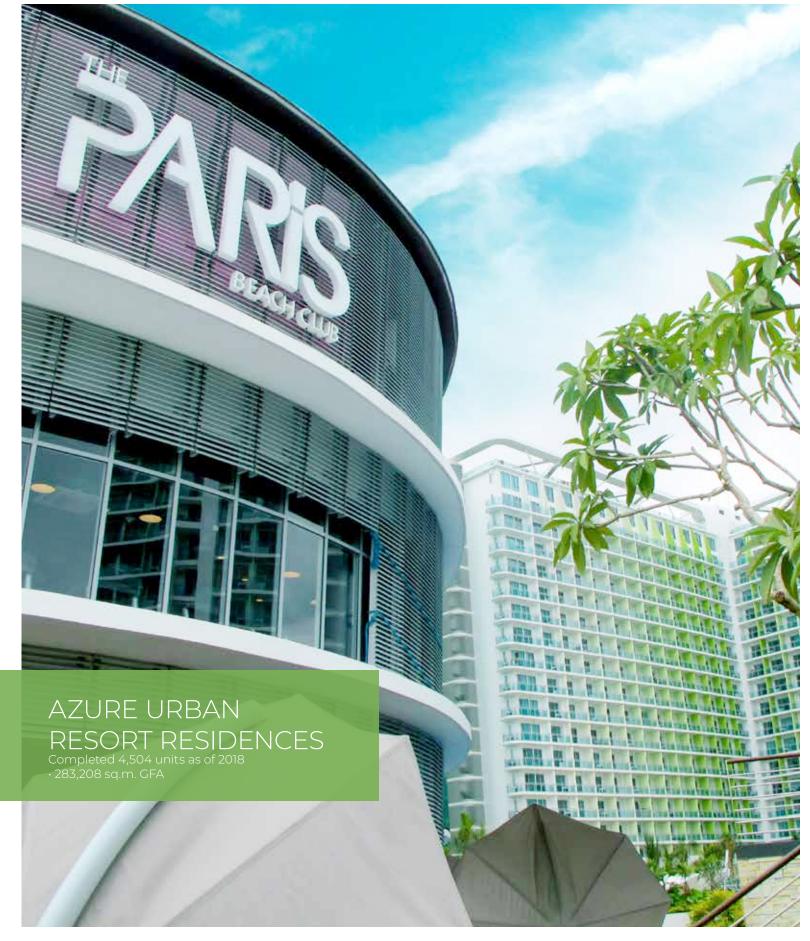




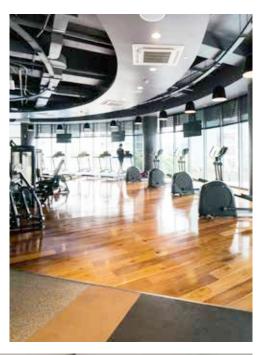




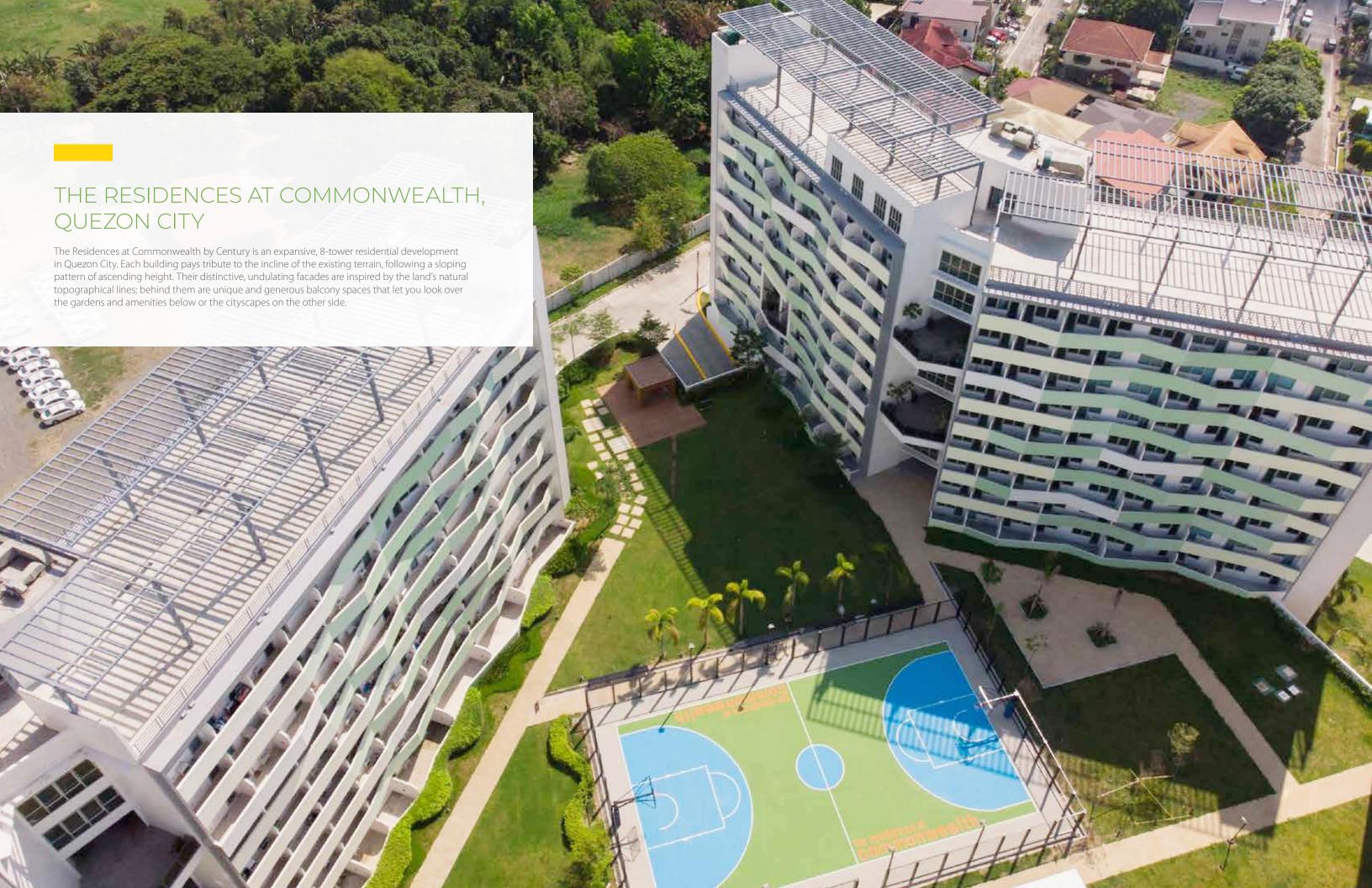






















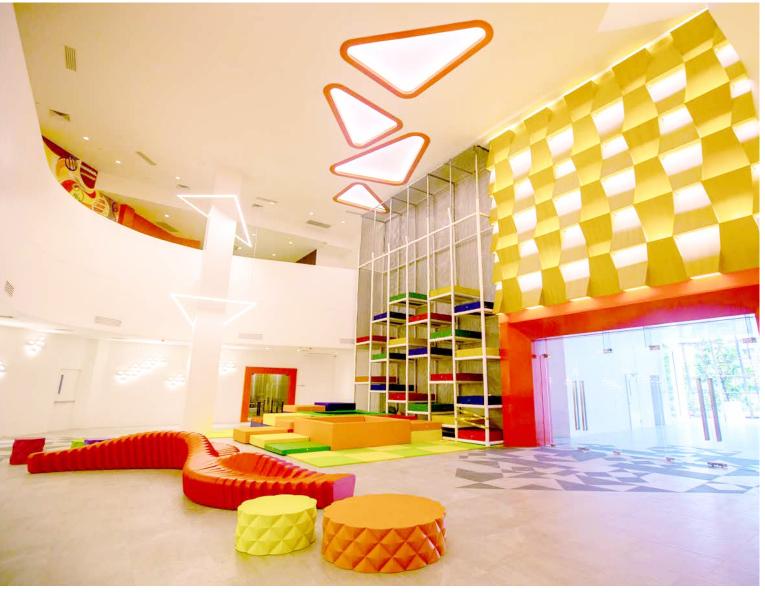










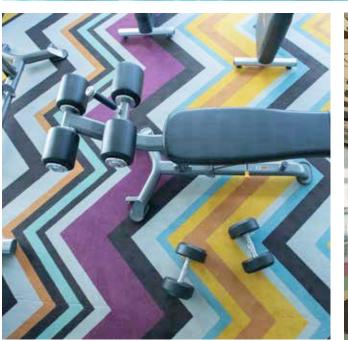




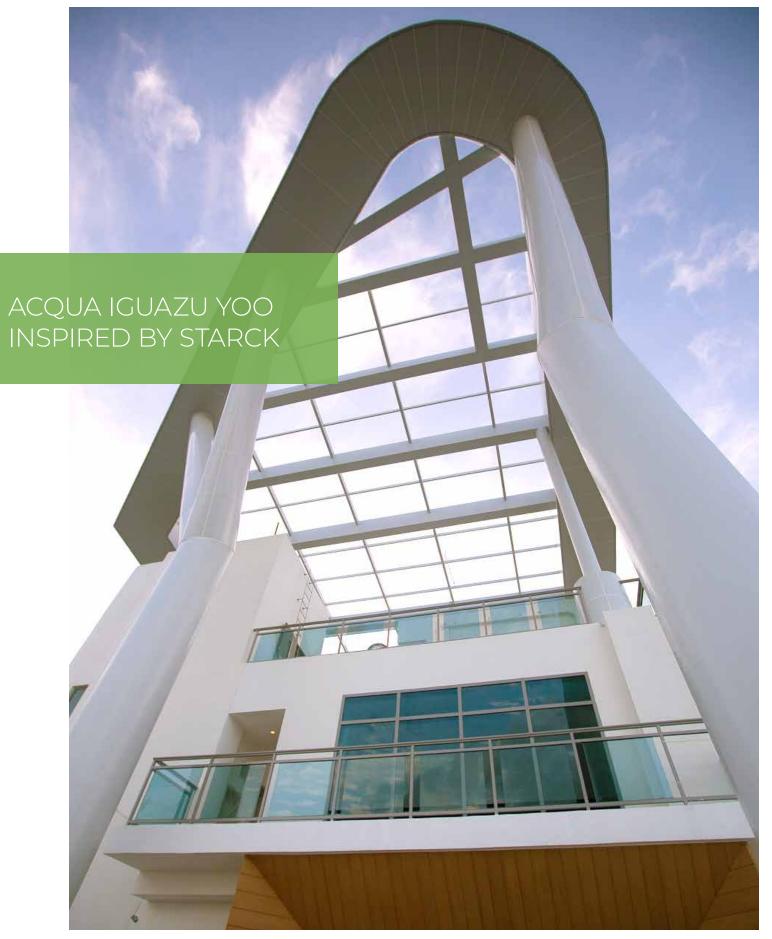










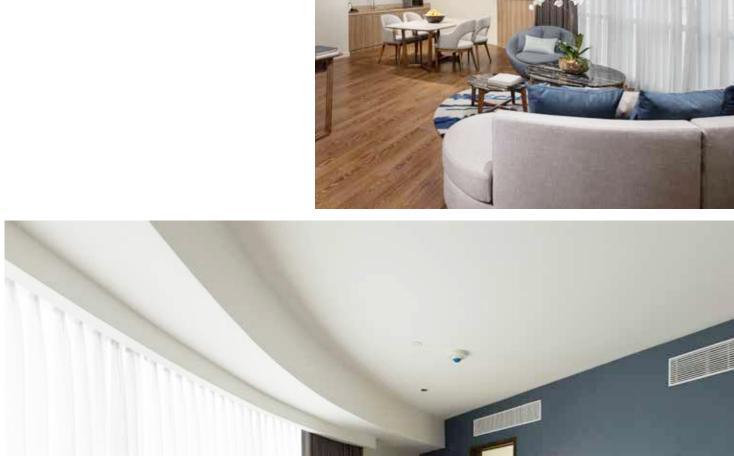


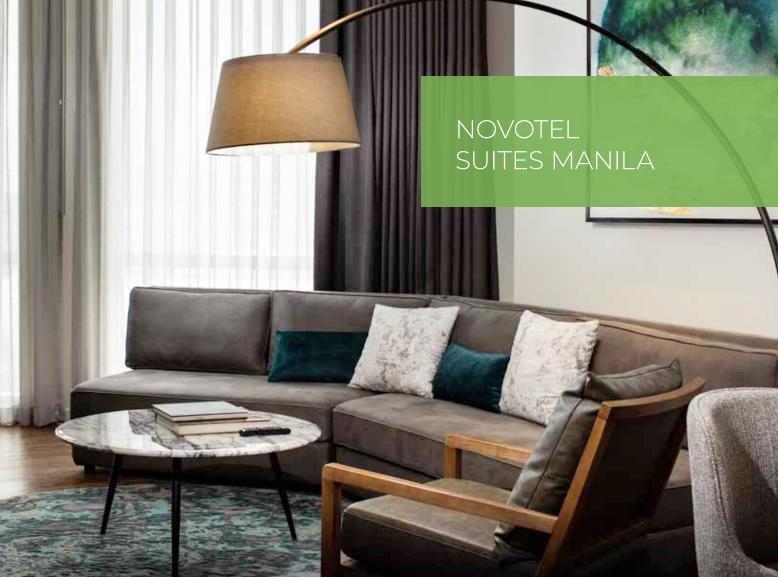




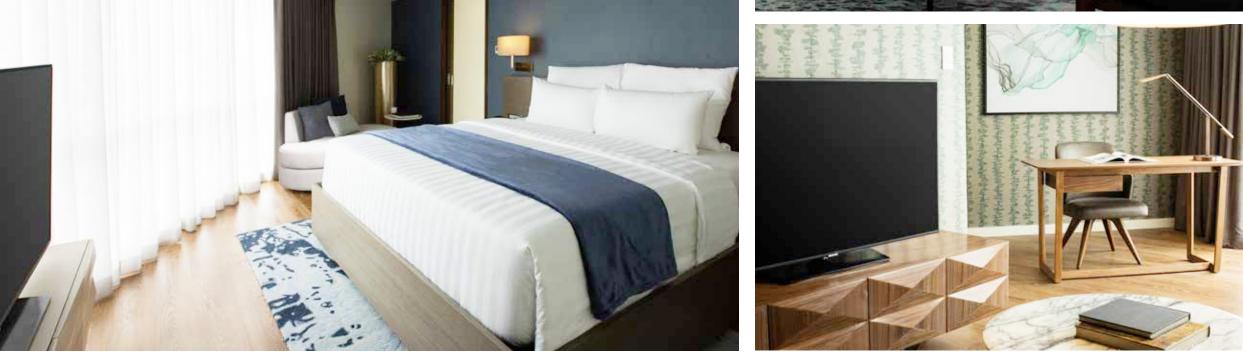




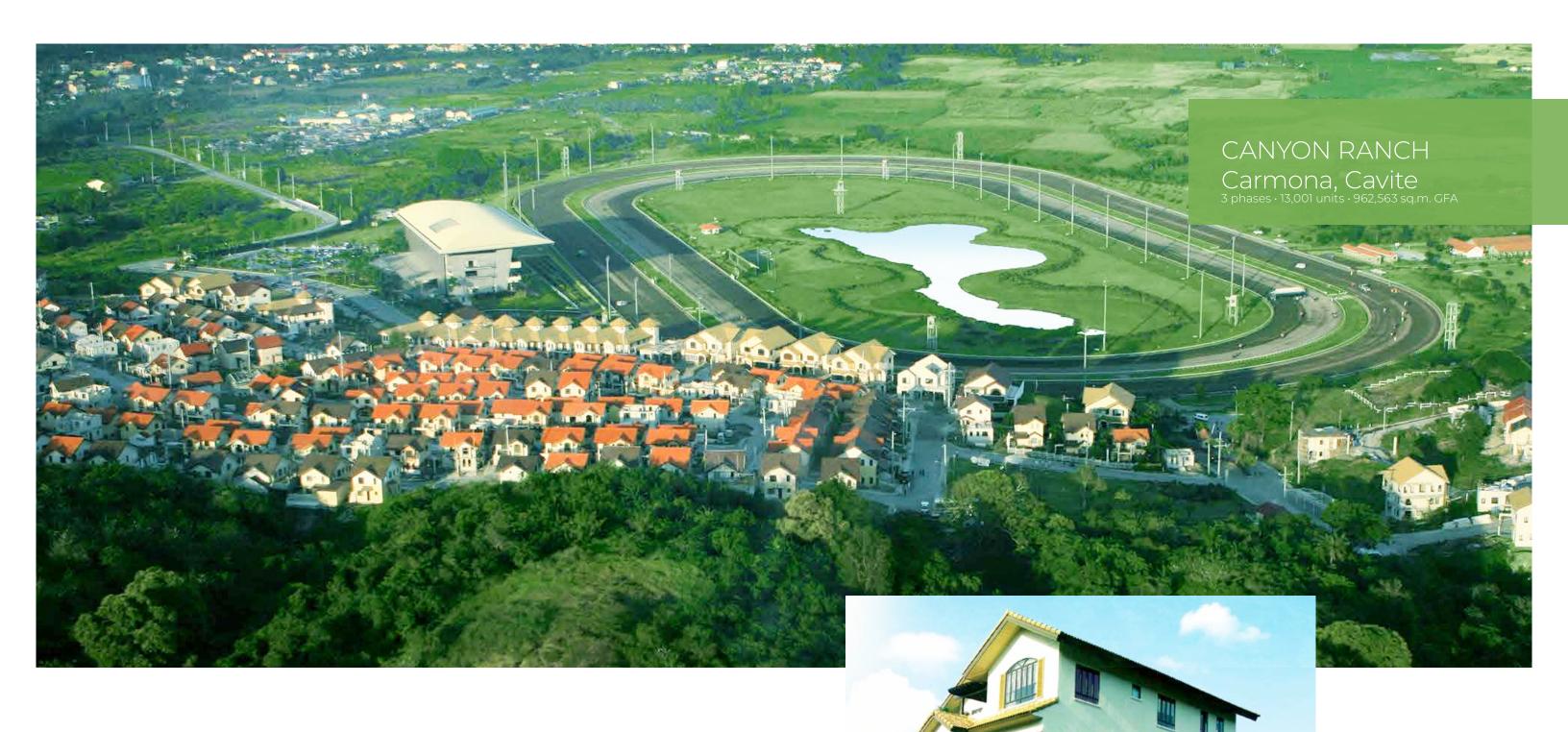








TURN OF THE CENTURY 93 92 Century Properties Group Annual Report 2018





BATULAO ARTSCAPES Nasugbu, Batangas



PHIRST PARK HOMES

Launched as of 2018: 3 projects • 64 hectares 6, 385 units • Tanza, Cavite • Lipa, Batangas • San Pablo, Laguna









Century Properties Group commits itself to the development and building of innovative and life-enhancing real-estate projects for global citizens. To such ends, we effectively engage and build-up the organization's resources to deliver products and services that delight and satisfy our customers.

We ensure that mechanisms are in place to enable sustained growth and innovation, and that our systems and processes are aligned to respond to the increasing and ever-changing demands of the real estate industry.

Our employees are being empowered to take proactive roles with an active learning and development plan, regular training opportunities and real career progression to ensure the continuity of our vision.

We aspire to give satisfactory returns on our shareholders' investment. We faithfully comply with all applicable statutory and regulatory requirements and commit to the ideals of corporate social responsibility in the conduct of our business.

SUSTAINABILITY IN PROPERTY DEVELOPMENT

As we turn into the next exciting chapter for Century Properties Group, we also bring with us a solid commitment to develop sustainably and with utmost care for the planet and its people. Our thrust towards responsible development is anchored on the principles of setting a minimum green core design requirement for each project, putting disaster mitigation measures in place, and operationalizing sustainable living practices. We have

already begun practicing some of these principles into our new projects, as follows:

Setting a green core design requirement for each project. Specifically for our new-generation office buildings, such as the newlyopened Asian Century Center in Bonifacio Global City and the upcoming Century Diamond Tower and Century Spire which are both located in Century

City, Makati, we have set the Leadership in Energy and Environmental Design (LEED) green building rating system as our minimum core design requirement. All three buildings have LEED Pre-Certification as Certified for Core and Shell Development Level and are awaiting their final score their respective targeted silver status upon completion and full operations.

OFFICE PROJECT IN FOCUS: CENTURY DIAMOND TOWER

TYPE OF PROJECT: Office building for lease

DEVELOPER: Century City Development II Corporation

LOCATION : Century City, Makati

ARCHITECT: G2 Development Planning and Architect Leo Parinas of LPPA Design Group

COMPLETION DATE : 2019

NET LEASABLE AREA : 58,574 square meters AVERAGE FLOOR PLATE: 2,237.52 square meters

NUMBER OF FLOORS: 41 physical floors (5 below ground; 36 above ground)

OFFICE FLOORS : 27 floors

PARKING FLOORS: 11 (5 levels basement; 6 levels above grade parking from 2F-8F)

PARKING SLOTS : 652 parking slots

AIR-CONDITIONING: Variable Refrigerant Flow (VRF)

BACKUP POWER: 100% with redundancy

ELEVATORS: 1 Service Lift, 6 Passenger Lifts (Low Zone), 6 Passenger Lifts (Mid Zone)

5 Passenger Lifts (High Zone), 2 Car Park Access Lifts

TELCO PROVIDER: Multiple Telco Providers

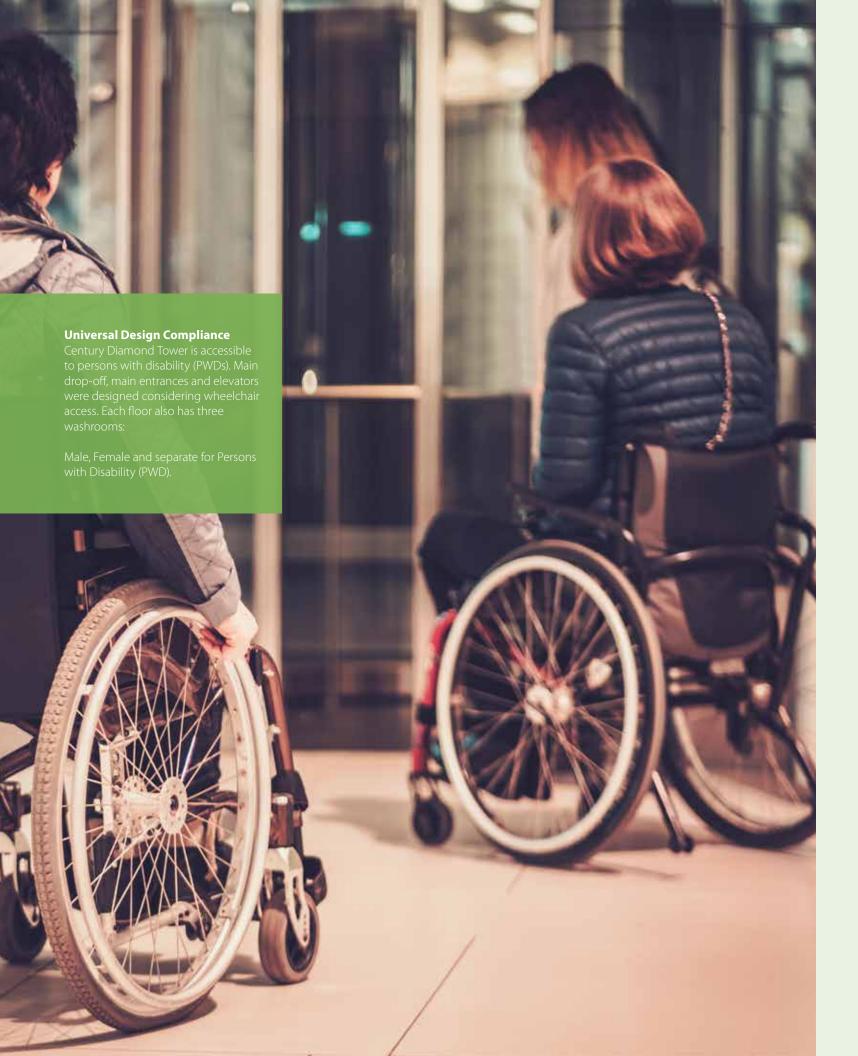
FLOOR TO CEILING HEIGHT: 2.70 meters HANDOVER CONDITION: Warm Shell

RETAIL FLOORS: Ground and Mezzanine Levels

SPECIAL FEATURES: PEZA accredited; follows the core and shell rating system

of the Leadership in Energy and Environmental Design (LEED)





CENTURY DIAMOND TOWER GREEN BUILDING ATTRIBUTES

Green Vehicle Parking

 5% of the total parking spaces of CDT are reserved for green vehicles. These parking spaces are located at 2nd level near the elevators for easy access to the building facilities. It promotes the use of green vehicles and aims to reduce greenhouse gas emissions caused by transportation.

Water Efficient Plumbing Fixtures

 CDT's water usage was reduced by 50% through installation of water efficient plumbing fixtures, which simply supplies the fixtures with enough water to serve its purpose.

No ozone depleting and low global warming impact refrigerants

 CDT's building systems have no Chlorofluorocarbons (CFCs) based refrigerants that can damage Earth's protective ozone layer. CDT's mechanical equipment uses R-410A refrigerants that has no impact on ozone layer and low impact on global warming.

Material Recovery Facility

 CDT provided a Material Recovery Facility (MRF) with dedicated spaces for paper, plastic, glass, metal, furniture and hazardous waste. The MRF is located at the 2nd level of the building. This helps in diverting recyclable waste that is generated by building occupants from landfills.

No Smoking Building

 CDT prohibits smoking within the building and its property to fully eliminate health risks associated with environmental tobacco smoke. "No Smoking" signage will be installed at the entrances of the building.

Low-emitting materials

 CDT uses paints, coatings, adhesive and sealants with low volatile organic compound (VOC) to minimize indoor air contamination to benefit the health and comfort of building users.

Indoor Chemical and Pollutant Source Control

 CDT provides better indoor air quality through installation of dirt catchment at all entryways of the building and through installation of high efficiency filters (MERV13) to all fresh air fans.

Minimum Energy Performance

 CDT is designed to reduce energy use through its high-performance building envelope, energy efficient lighting and HVAC equipment.

Heat Island Effect

 CDT helps in reducing heat island through the use of roofing materials with high Solar Reflectance Index (SRI) value.

Daylight and Views

 CDT follows an open plan layout where regularly occupied spaces will be located at the perimeter of the building to provide ample daylight and views to the building occupants. Also, office partitions to be used are low or glass partition to maintain visual connection to the outside.

Universal Design Compliance

 Century Diamond Tower is accessible to persons with disability (PWDs).
 Main drop-off, main entrances and elevators were designed considering wheelchair access. Each floor also has three washrooms: Male, Female and separate for Persons with Disability (PWD).

SUSTAINABILITY IN PROPERTY DEVELOPMENT

OFFICE PROJECT IN FOCUS: ASIAN CENTURY CENTER

PROJECT NAME: Asian Century Center

TYPE OF PROJECT: Commercial building with office and retail spaces for lease

DEVELOPER: Asian Carmakers Corporation in partnership with Century Properties Group LOCATION: Bonifacio Global City, 27th Street corner 3rd Avenue, Bonifacio Global City, Taguig

COMPLETION DATE : 2018

NET LEASABLE AREA : 29,628 square meters

TYPICAL FLOOR PLATE : 2,219.92 (14F & 19F) to 2,358.20 square meters (10F & 17F);

some floors may be subdivided into quadrants
NUMBER OF FLOORS : 21 physical floors (1 basement; 20 above ground)

PARKING FLOORS : 6 (Basement 1, 2F to 6F)

PARKING SLOTS : 433

AIR-CONDITIONING : Variable Refrigerant Flow (VRF)

BACKUP POWER : 100% N+1

ELEVATORS: 8 Passenger Elevators, 1 Service Lift

TELCO PROVIDER: Multiple Telco Providers (Globe, PLDT, Converge)

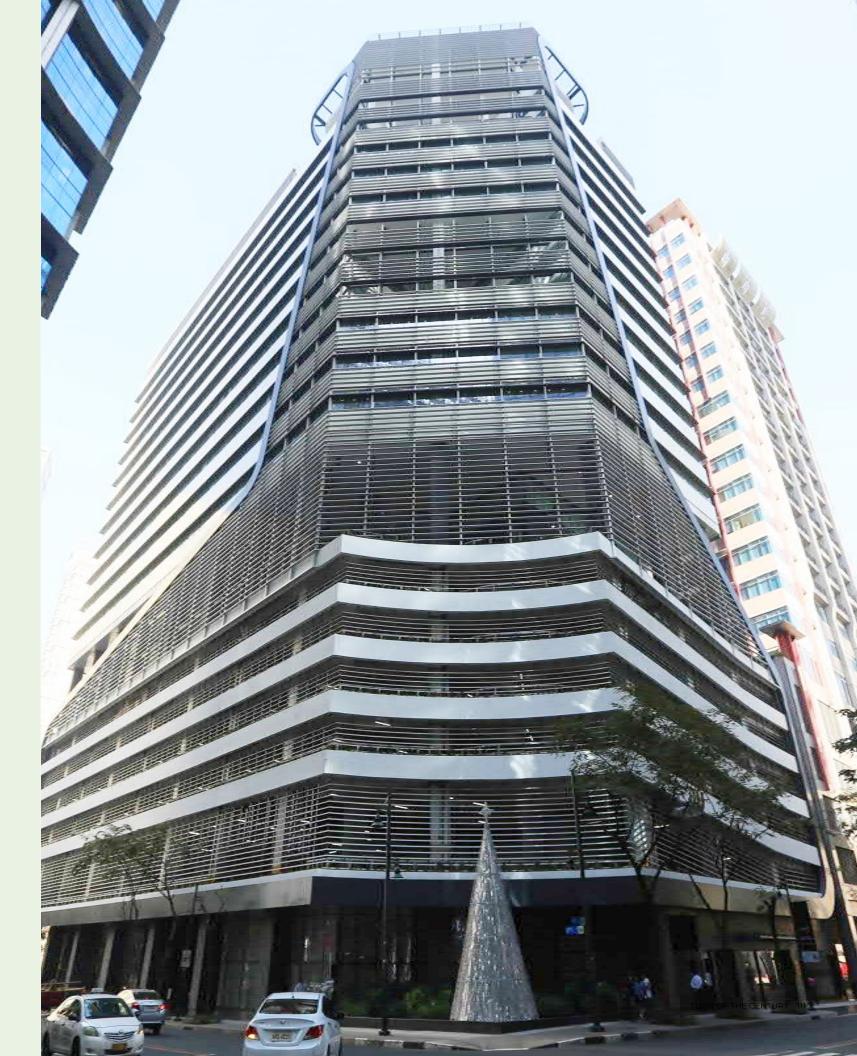
FLOOR TO CEILING HEIGHT : 2.70 meters; 3.90 meters slab to slab

HANDOVER CONDITION: Warm Shell

SPECIAL FEATURES: Helipad provision; PEZA accredited; pre-certified for the core

and shell rating system of the Leadership in Energy and Environmental Design (LEED)

LEASING MANAGER : Leechiu Property Consultants TENANT MIX : IT, BPO, KPO, E-commerce





ASIAN CENTURY CENTER GREEN BUILDING ATTRIBUTES

Asian Century Centre offers large, flexible open plan space in the heart of Bonifacio Global City. Light shelves incorporated above the windows provide shade while increasing daylight penetration. Skycourts highlight the entrance corner and public plaza at ground level, providing social spaces which also serve as beacons for the development when illuminated at night.

Green Vehicle Parking

 5% of the total parking spaces of ACC are reserved for green vehicles. These parking spaces are located at 3rd Floor near the elevators for easy access to the building facilities. It promotes the use of green vehicles and aims to reduce greenhouse gas emissions caused by transportation.

Bicycle Facilities

 ACC provided Bicycle Storage and Shower Rooms to promote bicycling as an alternative to vehicle use and to improve public health by encouraging utilitarian and recreational physical activity.

Water Efficient Plumbing Fixtures

 ACC's water usage was reduced by 42% through installation of water efficient plumbing fixtures, which simply supplies the fixtures with enough water to serve its purpose.

No ozone depleting and low global warming impact refrigerants

 ACC's building systems have no Chlorofluorocarbons (CFCs) based refrigerants that can damage Earth's protective ozone layer. ACC's mechanical equipment uses R-410A refrigerants that has no impact on ozone layer and low impact on global warming.

Material Recovery Facility

ACC provided a Material Recovery

Facility (MRF) with dedicated spaces for paper, plastic, glass, metal, furniture and hazardous waste. The MRF is located at the Basement Floor of the building. This helps in diverting recyclable waste that is generated by building occupants from landfills.

No Smoking Building

 ACC prohibits smoking within the building and its property to fully eliminate health risks associated with environmental tobacco smoke. "No Smoking" signages are installed at the entrances of the building.

Low-emitting materials

 ACC uses paints, coatings, adhesive and sealants with low volatile organic compound (VOC) to minimize indoor air contamination to benefit the health and comfort of building users.

Indoor Chemical and Pollutant Source Control ACC provides better indoor air quality through installation of dirt catchment at all entryways of the building and through installation of high efficiency filters (MERV13) to all fresh air fans.

Minimum Energy Performance

 ACC is designed to reduce energy use through its high-performance building envelope, energy efficient lighting, and HVAC equipment.

Heat Island Effect

•ACC helps in reducing heat island effect through roofing materials with high Solar Reflectance Index (SRI) value.

Daylight and Views

 ACC follows an open plan layout where regularly occupied spaces will be located at the perimeter of the building to provide ample daylight and views to the building occupants. Also, office partitions to be used are low or glass partition to maintain visual connection to the outside.

Universal Design Compliance

Asian Century Center is accessible to persons with disability (PWDs). Main drop-off, main entrances, and elevators were designed considering wheelchair access. Each floor also has three washrooms:

Male, Female, and separate for Persons with Disability (PWD).

Putting disaster mitigation measures in place. Aside from giving our on-site teams their regular emergency response trainings, we also covered the aspects of flooding and earthquake preparedness in our project and masterplan designs. We regularly consult with technical experts, including Dr. Brian B. Tan, M.SC. for geotechnical assessment and our structural engineers SySquared Associates. Flood prevention and mitigation measures have been applied to the 8-tower Century City Makati, the 6-tower Acqua Private Residences in Mandalutong City, the 8-building Residences at Commonwealth in Quezon City, and the 9-tower Azure Urban resort Residences in Paranaque City.

CENTURY CITY, Makati – Even if historically no uncontrollable floodwater surges have been recorded or experienced on site, we installed sump pumps, which can pump out water into the drainage, within existing structures as well as those that have yet to see construction. This mitigation scheme was complemented with the rehabilitation of the drainage lines underground canals (restoration, de-clogging, and addition of new drainage culverts) around Valdez Street, Salamanca Street and Kalayaan Avenue, which not only lessened the risk of basement flooding, but also helped regulate the flow of water that may be pumped out into the drainage line. We also we helped repair the drainage line at nearby San Miguel Village, where our drainage on Kalayaan Avenue is also connected. Hence, we do not experience rising waters on site during the onslaught of the heavy rains.

AZURE URBAN RESORT RESIDENCES, Paranaque – Century
Properties sought the cooperation

of the local government unit of Barangay Marcelo Green as well as the city government in the construction of a drainage system that traverses through the company property. With this drainage in place, future residents of Azure are not the only ones assured of a flood-free path, but also all the motorists and pedestrians who use the West Service Road. Even as the construction of the Azure is in full swing, the vicinity has not been submerged in water during the onslaught of massive rains. This only proves that the area around the SLEX Bicutan Entry/Exit is a non-flood prone area, given the sufficient drainage systems in place.

ACQUA PRIVATE RESIDENCES,

Mandalutong City – As the project sits in front of the historic Pasig River, we conducted an extensive flood risk analysis for the site during the project's planning stages despite the fact that the location of the site makes it less vulnerable to flood since it has open access to the sea. As an added

precaution, we still added an extra measure to protect the property from flooding. For instance, the ground floor of all towers, amenity and retail areas were planned with an increased elevation of 1.5 meters. All parking floors were built above ground and residential floors are on the 6th level and up.

THE RESIDENCES

AT COMMONWEALTH, Quezon
City – For Commonwealth, we built a
detention tank within the development
near the outfalls of the property to
protect the downstream settlements
from flooding and to control the
discharge into the existing drainage
system. Also, the site is properly graded
such that the water runoff from the
property drains to the recommended
outfall locations.



IS YOUR CONDO EARTHQUAKE-READY?

- Century Properties Group condominiums follow the National Structural Code of the Philippines, based on the Uniform Building Code, which is the required reference ion the design of tall buildings against earthquakes.
- CPG taps professional structural engineers, architects and geotechnical
 experts to ensure its structures adhere to the latest building code and
 employ the latest technology available to ensure the safety of its occupants
- Aside from complying with the standards of the National Structural Code of the Philippines, high rise condos of Century Properties employ SMRF (Special Moment Resisting Frame) – frames in which members and joints let the building withstand forces caused by earthquakes.
- For its much taller high rises, Century Properties applied Performance-Based Design (PBD) methods the gold standard for designing skyscrapers all over the world.
- Regular earthquake drills are conducted across all CPG projects, in coordination with the local government, barangay, police and authorities in disaster preparedness.

Operationalizing sustainable living practices. Through our property management services group, Century Properties Management Inc., we will undertake a review of our policies and procedures in energy consumption, as well as waste collection and segregation in order to promote the reduction of single-use plastics and encourage reuse and recycling in our communities. We will undertake partnerships with non-government organizations, such as the WorldWildlife Fund (WWF) that can teach us how to apply best practices in sustainability in the communities we serve.

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OPERATIONAL SUSTAINABILITY: ECONOMIC CONTRIBUTION

We are prudent in spending and constantly endeavor to strike a healthy balance between ensuring we deliver to higher standards while keeping costs at a minimum to deliver satisfactory returns.

	2018	2017							
Direct Economic Value Generated (in Philippines Pesos)									
Revenues	11,270,534,540	7,506,849,411							
Economic Value Distributed									
Operating Costs	8,626,161,185	5,590,899,024							
Employee Wages and Benefits	629,488,457	583,582,166							
Payments to Providers of Capital	199,999,999	205,065,834							
Payments to Government	477,746,320	537,324,563							
Economic Value Retained	1,337,138,579	589,977,824							
Estimated Labor Count	4,319	3,417							

EMPLOYEE DEVELOPMENT AND ENGAGEMENT

We value our employees as a vital resource and lifeblood of the organization. We make sure they are taken good care of, their performance is monitored, and training and assistance are provided to promote their growth and development in the company.

(a) Number of employees hired in 2018 – male and female/and age range NEW HIRES 2018

	MALE	FEMALE	AGE 18-24	AGE 25-34	AGE 35-44	AGE 45-54
Century Limitless Corp. (CLC)	30	35	8	42	9	6
Century City Development Corp. (CCDC)	3	5	1	6		1
Century Integrated Sales, Inc. (CISI)		6	4	1	1	
Centuria Medical Development Corp. (CMDC)	1	3	1	2	1	
PHirst Park Homes, Inc. (PPHI)	17	13	4	20	5	1
Century Properties Management, Inc. (CPMI)	60	40	14	50	25	11
Total	111	102	32	121	41	19
	213					

(b) Rate of new employee hires in 2018

• Rate of New Hires = 19%

(c) Total # of Employee Turnover 2018

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
CLC	6	12	3	7	2	6	3	5	1	5	6	2	58
CCDC	2	7		1	2	2	1	1				1	17
CISI	1			1		4		1		1			8
CMDC											1		1
PPHI			1		1	2	1		1	1			7
CPMI	4	6	9	6	8	11	3	7	5	8	6	6	79
Total	13	25	13	15	13	25	8	14	7	15	13	9	170

Benefits

- Communication Allowance
- Car Assignment for Key Officers
- Group Life Insurance Coverage
- Healthcare Coverage
- Rice Subsidy
- Retirement (self-funded)
- Service Incentive Leave
- Variable Performance Bonuses
- 13th Month Pay

Employee Trainings

- Employee Engagement FGD
- UP Law Paralegal Training Program
- MCLE Compliance Seminars
- Data Storytelling for Business Seminar
- Project Management in the Construction Industry
- Corporate Governance Training for Directors and Senior Management
- Internal Audit Conference
- ISO Training
- Content Conference
- 25th National Public Relations Seminar
- Digicon 2018
- National Convention for United Architects of the Philippines

Parental Leaves

Total employees who took parental leave for the period

31 employees took Maternity Leave & Paternity Leave in 2018

Total employees who returned to work after parental leave

30 employees returned after their Maternity Leave and Parental Leave

Overall 2018 Return to Work Rate for male and female employees = **98%**

Employee Benefits – Performance Reviews and Incentives

- Performance Review Period: Every July of current year (to cover last year July to June of current year)
- Key Result Areas: (1) Financial
 Efficiency (2) Operations
 Effectiveness (3) Organizational
 Development (4) Customer Service
- 2018 Average Performance Bonus: 1 month gross pay equivalent
- 2018 Average Salary Increase: 6%

TURN OF THE CENTURY 117

CORPORATE SOCIAL RESPONSIBILITY

Century Properties Group's corporate social responsibility for 2018 was done in partnership with Ms. Gina Lopez's ILOVE Foundation (Investments in Loving Organizations for Village Economies) as well as the ABS CBN Foundation for the eco-tourism documentary series, G Diaries.

With CPG Chairman Jose E.B. Antonio an active board member of I LOVE Foundation, Century poured in a total of Php7 million of financial support during the period to help identify and transform marginalized communities in the Philippines into viable localized economic zones. This initiative is ongoing through ILOVE Foundation's Quest for Love, a nation-wide search for Loving Organizations that seek to help 8 marginalized communities become self-sustaining enterprises in agro-forestry, fisheries, or eco-tourism.

From a total of 128 entries from 40 different areas all over the country, 16 candidates were chosen based on the track record of the organizations and its leaders, and the potential impact of the proposed intervention on the partner Community. The shortlist was further narrowed down to the final 8 Loving Organizations:

 The Aggrupation of Advocates for Environmental Protection (AGAP) to create Mountain Tourism and an Ecotourism site in Bulusan, Sorsogon

- 2. The Lake Sebu Indigenous Women Weavers Association, Inc. (LASIWWAI) to create Agri and Mountain Tourism in Lake Sebu, South Cotabato
- 3. The Health Futures Foundation, Inc. to create a Wellness Village for the Blaan tribe of Polomolok, South Cotabato
- 4. The Mindanao State University to create an Eco-tourism and Fishing Village for 100 Badjao fisher folk in Simunul, Tawi Tawi
- 5. The Yellow Boat of Hope Foundation to create an ecotourism and fishing village for 71 families in Sta. Cruz, Zamboanga
- 6. The University of the Cordilleras to develop Mountain Tourism for 18,000 farmers and tour guides in Tublay, Benguet (adopted community by CPG)
- 7. The Busikong Greenland Multi-Purpose Cooperative to develop Agri-Tourism for 225 organic farmers in Upi, Maguindanao

8. Got Heart Foundation to set up a School of Living Traditions and Laboratory for the Abelling Tribe in San Jose, Tarlac

Through the Quest, ILOVE Foundation partners such as CPG are given the opportunity to further provide financial and technical support to the deserving organizations, with the hopes of promoting wide-spread social and environmental development.

In addition, CPG conducted bloodletting drives in partnership with the Philippine Red Cross in its offices at the Pacific Star Building and its outpatient center, Centuria Medical Makati, for the benefit of the most vulnerable patients across the country who need urgent blood transfusion.



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THE CPG BOARD OF DIRECTORS

Behind Century Properties Group, Inc. is a committed team of remarkably accomplished and talented people who are committed to realize the company's goals as guided by its vision, mission and values.

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.

There are no changes in the composition of the Board from December 31, 2017 to December 31, 2018.

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.

Ambassador Jose E.B. Antonio, 72 years old, Filipino, is one of the founders and Chairman 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 Masters Degree in Business Management in 1968 from Ateneo de Manila's Graduate School of Business. Chairman Antonio also graduated from Harvard University's Owner/ President Management Program in 2003. Chairman Antonio served as the Philippines Special Envoy for Trade and Economics to the People's Republic of China in 2005 and is currently the Chairman of Century Asia Corporation, Prestige Cars, Inc. and Philtranco Service Enterprises. He is also the founder and Chairman of the Philippine-China Business Council Inc. In addition, he serves as the Vice Chairman of Penta Pacific Realty Corporation and Subic Air Charter, Inc. Mr. Antonio has also been duly appointed by President Rodrigo R. Duterte as the Philippines' special envoy to the United States, effective October 28, 2016. His mission is to enhance business ties and strengthen the economic affairs between the two countries.





Mr. John Victor R. Antonio, 46 years old, Filipino, is Co-Chief Operating Officer and a Managing Director of the Company. He has been with the Company for 25 years and is involved in spearheading the Company's flagship projects – including The Gramercy Residences (the tallest residential building in the Philippines when it was completed in 2012), and The Azure Urban Resort Residences (the only in-city development with a private man-made beach).

He graduated Magna Cum Laude with a Bachelor of Science Degree in Economics (major in Marketing) from the University of Pennsylvania's Wharton School in 1993 and received his Master's Degree in Business Administration from the Wharton School in 2003.

Mr. Jose Marco R. Antonio, 44 years old, Filipino, is Co-Chief Operating Officer and a Managing Director of the Company. He has been with the Company for 21 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. Prior to joining CPG, he worked at Blackstone Real Estate Partners as a financial analyst. He graduated summa cum laude with a Bachelor's Degree in Economics (dual major in Finance and Entrepreneurial Management) from the University of Pennsylvania's Wharton School in 1995 and received his Master's Degree in Business Administration from the Wharton School in 2004.





Mr. Jose Roberto R. Antonio, 42 years old, Filipino, is a Managing Director of the Company. He is involved in managing projects in the Company's luxury product line, where he conceived and spearheaded branded developments with the Trump Organization, Armani Casa, Versace Home, Philippe Starck, Missoni Home, and Paris Hilton.

He graduated Omicron Delta Epsilon for outstanding GPA with a Bachelor's Degree in Economics from Northwestern University and obtained his Masters Degree in Business Administration from Stanford University. He joined the Company in 2009 after spearheading Antonio Development in New York City, where he had the opportunity to work with Pei Partners and the late I.M.Pei for the luxury condominium Centurion, located on 56th Street between 5th and 6th Avenue, steps from Central Park.

Mr. Antonio is also the Founder and CEO of Resident Holdings Group, a conglomerate of 27 tech, real estate, branding, franchising and licensing concepts, e-commerce and e-services companies. He is the Founder and CEO of Revolution Precrafted, the first and only proptech unicorn in Southeast Asia and the only billion-dollar startup in the Philippines. Revolution is a global supplier of traditional and prefabricated homes and structures with footprints in (thirty-one) 31 countries within Asia, Middle East, Europe, North and South America, and the Caribbean.

In May 2018, he was named "Real Estate Personality of the Year" by PropertyGuru. In the same year, Mr. Antonio was also cited in the 2018 Mavericks Report by BuiltWorlds as one of the "25 Pioneers Who've Transformed the Built Industry."

He has worked with more than 110 global brand names and celebrities, including 13 Pritzker Prize Architects and firms such as Jean Nouvel, the late Zaha Hadid, Philip Johnson Alan Ritchie Architects, Tange Associates, Paulo Mendes de Rocha, Rem Koolhaas, Tange Associates, and Christian de Portzamparc; designers and architects Kengo Kuma, Tom Dixon, Lenny Kravitz, and Sou Fujimoto; supermodel Helena Christensen; Hollywood actress and model Kate Upton; the boxing champion and politician Manny Pacquiao, and Wallpaper magazine.

Mr. Jose Carlo R. Antonio, 35 years old, Filipino, is a Managing Director and member of the Board. Prior to joining the Company in 2007, he worked in the investment banking groups of Citigroup and Goldman Sachs. He graduated magna cum laude with a Bachelor's Degree in Economics (major in Finance) from the University of Pennsylvania's Wharton School in 2005.





Mr. Ricardo P. Cuerva, 74 years old, Filipino, is a member of our Board. Mr. Cuerva is the President and owner of Century Project Management and Construction Corporation, which oversees the construction of our vertical developments. Mr. Cuerva was a co-founder of Meridien Group of Companies and served as Meridien's president from 1988 to 1996. He also currently serves as a member of the Rotary Club of Makati City. Mr. Cuerva graduated from San Beda College in 1961 with a Bachelor of Science Degree in Business Administration and obtained his Master's Degree in Business Administration from Ateneo De Manila in 1971.

Mr. Rafael G. Yaptinchay, 68 years old, Filipino, is a Managing Director of the Company and a member of our Board. Mr. Yaptinchay was a co-founder of Meridien and served as Meridien's president from 1996 to 2009. He has previously served as the Assistant Treasurer and Head of Business Development/Corporate Planning of Philippine National Construction Corporation. Mr. Yaptinchay is a member of the Rotary Club of Ortigas and the Association of Asian Manager, Inc. Mr. Yaptinchay graduated from Ateneo de Manila University in 1971 with a Bachelor's Degree (major in Economics) and received his Master's Degree in Business Administration from Asian Institute of Management in 1974.





Ambassador Jose L. Cuisia, Jr., 72 years old, Filipino citizen, is the former Ambassador Extraordinary and Plenipotentiary of the Republic of the Philippines to the United States. Ambassador Cuisia is also wellrespected figure in Philippine business, with over 32 years in financial services, most recently as the President & CEO of the largest and most profitable non-bank financial institution on the Philippines. He serves on the boards of many of the Philippines' most important private and listed companies, and has shared his expertise as Trustee on various academic institutions and nongovernment organizations espousing good governance and corporate social responsibility, including the Asian Institute of Management. Ambassador Cuisia has over 10 years of experience in public service, having served Filipinos as the Governor of the Central Bank of the Philippines and Chairman of its Monetary Board as well as President and CEO of the Philippine Social Security System in the 1980s and 1990s. At the Central Bank, Ambassador Cuisia oversaw the liberalization of foreign exchange controls, resulting in, among others, the entry of more substantial foreign direct investment that strengthened the Philippine Peso and the country's foreign exchange reserves. The Ambassador also led the efforts in establishing what is now the Bangko Sentral ng Pilipinas, allowing it to become a more effective guardian of monetary policy and ensuring the stability of the banking system. Amb. Cuisia also serves as Director to various companies namely: Investment & Capital Corporation of the Philippines, Asian Institute of Management, Phinma Corporation, SM Prime Holdings Inc., Philippine Investment Management, Inc.. He likewise serves as an Independent Director of Manila Water Company, Inc.

Mr. Stephen T. CuUnjieng, 60 years old, Filipino Citizen, is a prominent investment banker and currently serves as an Independent Director of First Philippine Holdings Corporation and previously Aboitiz Equity Ventures, Inc. He has long and extensive experience in investment banking with several major financial institutions including Evercore Partners, Inc. where he is the Chairman of Evercore Asia Limited, Macquarie Capital, Merrill Lynch and Salomon Brothers. He is an advisor to a number of Asia's most prominent companies like San Miguel Corporation, Samsung Electronics, and 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, 73 years old, Filipino, is the President and Chief Executive Officer of Mount Grace Hospitals, Inc., Chairman and Chief Executive Officer of Forum Cebu Coal Corporation, and Chairman of Northern Access Mining, Inc. He is a Board Member of thirteen (13) hospitals, including Medical Center Manila, VR Potenciano Medical Center, Tagaytay Medical Center, Pinehurst Medical Services Inc., Grace General Hospital, Healthserv Medical Center, Lorma Medical Center, Mary Mediatrix Medical Center, Silvermed Corporation, and Capitol Medical Center. He was formerly the Chairman of the Board of United Coconut Planters Bank, and a former Director of the National Grid Corporation of the Philippines. He was also the President and Chief Executive Officer of United Laboratories, Inc., Unilab Group of Companies, Univet Agricultural Products, Inc., and Greenfield Development Corporation, as well as the Vice President and Senior Country Operation Officer of Citibank, NA. Prior to Citibank, Mr. Ejercito was a Systems Engineer in IBM Philippines, and Accounting Unit Head in Procter & Gamble Philippines, Inc. He was a member of the Board of Governors of the Management Association of the Philippines. Mr. Ejercito graduated cum laude from the University of the East with a degree in Bachelor of Science in Business Administration. He also completed the Management Development Program of the Harvard Business School in 1983, and has completed the coursework for Master's in Business Administration at the Ateneo Graduate School of Business. Mr. Ejercito is a certified public accountant. As of date, he serves as an Independent Director at Aboitiz Power Corporation, Bloomberry Resorts Corporation and Monte Oro Resources and Energy Corporation.

BOARD OF ADMINISTRATIVE OFFICERS

From left to right.

Atty. Danny E. Bunyi, 54 years old, Filipino, is the Corporate Secretary of the Company. He is likewise a 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.

Atty. Isabelita Ching-Sales, 39 years old, serves as the Company's Chief Information Officer. Atty. Ching-Sales was the Chief Legal Counsel, Head for Credit Support, Chief Information Officer and Corporate Secretary of Asiatrust Development Bank where she worked for 5 years. She likewise worked as Head for Operations of China Banking Corporation's Acquired Assets Division. She graduated from the University of Santo Tomas with a Bachelor's Degree in Legal Management and obtained her degree in Bachelor of Laws at San Sebastian College Recoletos Manila, Institute of Law and San Beda College of Law.

Mr. Carlos Benedict K. Rivilla IV, 47 years old, Filipino, is the 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 years in Cebu City and also previously handled Corporate Affairs for the Company and served as Director and Corporate Secretary of various businesses in Makati City. He joined the Company in 2007. Mr. Rivilla is a graduate of University of San Jose Recoletos. Mr. Rivilla was appointed Assistant Corporate Secretary on August 17, 2011.



SENIOR MANAGEMENT TEAM

From left to right.

Mr. Gerry Joseph Albert L. llagan, 39 years old, Filipino, is the Executive Vice-President for Century Worldwide Services and Sales Management Operations of the Company. In October 2015, he was appointed as fulltime group head of Century World Sales Operations. He graduated with academic distinction from San Beda College with a Bachelor's Degree in Human Resources Development and Philosophy. He also attended De La Salle College of St. Benilde's School of Professional and Continuing Education where he received a diploma in Organizational Development and a diploma in Human Resources. He is a licensed Real Estate Broker with more than 10 years of human resources and sales management experience gained from several multinational and Philippine companies. Mr. Ilagan also worked with Sun Microsystems Philippines Inc. and Crown Asia Properties Inc. prior to joining the Company.

Mr. Ponciano S. Carreon, Jr., 45 years old, is the Chief Financial Officer and Head for Investor Relations. Prior to joining CPGI, he served as Chief Finance Officer of Landco Pacific Corporation, Chief Finance Officer of Arthaland Corporation, Assistant Vice President of Controllership at SM Development Corporation and Controller of Crown Asia Properties, Inc., a Vista Land subsidiary, and as member of the Board of Directors of Club Punta Fuego Inc., Fuego Land Corporation, and Fuego Development Corporation. He also brings with him solid banking experience having served as a bank controller, audit head and examiner. He is an Ateneo-BAP Certified Treasury Professional, a cum laude graduate of BS Accountancy degree at San Beda College and a CPA board topnotcher.

Mr. Gerardo A. Morales, 57 years old, Filipino, serves as the Company's Treasurer. He was the former President of Optimum Development Bank. He has been involved in varying capacities with several banks (Planters Development Bank, Union Bank of the Philippines and Far East Bank) for more than 25 years. He graduated from Ateneo de Manila University in 1981 with a Bachelor of Science Degree, Major in Business Management.

Mr. Domie S. Eduvane, 54 years old, Filipino, is the Senior Vice-President for Legal and Corporate Affairs of the Company. He graduated magna cum laude from Far Eastern University, Manila with a Bachelor of Arts Degree in Economics and obtained his law degree from San Beda College of Law, Manila in 1994. Prior to joining the Company, he served as the Vice-President for Legal and Corporate Affairs and Human Resources for Empire East Properties, Inc., an affiliate of Megaworld Corporation. He also worked as Court Attorney with the Court of Appeals, Manila and was an Associate with Bengzon Zarraga Cudala Liwanag & Jimenez Law Offices as well as a Partner of Yrreverre Rondario & Associates Law Office.

Mr. Gerardo R. Mina, 54 years old, Filipino, is the Vice President for Property Management of the Company. He graduated from Adamson University with the degree of Bachelor of Science in Civil Engineering and earned units in MBA from Ateneo Graduate School of Business. He was with Century Properties Management, Inc. (CPMI), a subsidiary of Century Properties Group, Inc. (CPGI) for 21 years and occupied senior management post in the Operations Division.



SENIOR MANAGEMENT TEAM

From left to right.

Mr. Ritchelle T. Cordero, 38 years old, Filipino, is the Vice President for Human Resources and Administration of the Company. He graduated with academic distinction from San Beda College, Manila in 2002 with the degree of Bachelor of Arts in Philosophy and Human Resources Development, and earned his Executive Masters in Business Administration degree from the Asian Institute of Management in 2017. Prior to joining the Company, he was the HR Manager of Ayala Property Management Corporation, a subsidiary of Ayala Land Inc. He also worked as the HR Officer of DMCI Project Developers, Inc. He also served as the HR & Quality Management Officer of Asiatic Development Corporation. He is a member of People Management Association of the Philippines (PMAP), Philippine Society for Talent Development (PSTD), and Society for Human Resource Management (SHRM).

Mr. Ricky M. Celis, 50 years old, Filipino, will lead Century Properties in capturing the vast opportunities in the affordable housing segment. Prior to joining the Company, he served as the Head for Corporate Sales of Ayala Land Residential Business Group and President of Amaia Land (ALI Subsidiary). He also worked for Vista Land and Lifescapes for 11 years where he served as Technical Services Engineer and eventually the Operating Head for Camella Homes South Division. He earned his degree in Civil Engineering at the Holy Angel University where he graduated as Magna Cum Laude. He also took Management Development Program at the Asian Institute of Management and Executive Development Program (LEAP) at the Harvard School of Business.

Ms. Maria Theresa Fucanan Yu, 38 years old, Filipino, is the Vice-President for Corporate Communications of the Company. As part of her corporate background, she served as Assistant Vice-President and Public Relations Manager of the Company. Prior to joining the Company in 2007, she served as an editor and reporter for various sections of The Manila Times. Ms. Fucanan graduated cum laude with a Bachelor's Degree in Journalism from the University of Santo Tomas in 2001.

Mr. Ramon S. Villanueva III, 39 years old, Filipino, is the Tax Compliance Officer of the Company. He graduated with the degree of Bachelor of Science in Accountancy from Palawan State University in 2002. He is the 10th placer at the Licensure Examination for Certified Public Accountants in May 2005. Prior re-joining the Company, he served as the Comptroller of the Company for 4 years. He also served as Senior Auditor for Punongbayan & Araullo. He also worked as Accounting Professor at the Palawan State University.

Mr. Timothy Hallett, 58 years old, British, is the Company's President for the Tourism and Leisure Business Segments of the Company. Mr. Hallett was the former Chief Operating Officer of Century Properties Hospitality and former Chairman of Century Acqua Lifestyle Corporation, has more than 30 years hospitality business experience in UK and Asia and has developed, pre-opened and operated multiple international hotels and golf resorts worldwide. He started his career with Europe's leading golf and leisure operator, the Marriott Country Club Hotels and then was part of PGA Golf Management in UK and Asia. His career continued with CCA International in Hong Kong where he oversaw the development of their Asian golf business and managed their 5-Star Club in Guangzhou, China. Prior to joining Alila Hotels & Resorts, he was Managing Director of Palm Resort Bhd the Hotel & Leisure business of AFP Land a division of Indonesia Sin Mas Group. Post this, Tim has created a number a key businesses and brands in the hotel and hospitality real estate private equity space including Zinc Hospitality, Cosi Hotels and Silverneedle Hospitality before joining Century Properties Group to create and roll out multiple Hotel and Hospitality Real Estate projects in the Philippines.

Mr. John Paul Flores, 36 years old, Filipino, is the Comptroller of the Company. He graduated from the Laguna College with a Bachelor of Science Degree in Accountancy. Prior to joining the Company, he served as a Senior Auditor of Punongbayan and Araullo Auditing Firm.





BOARD MATTERS

BOARD OF DIRECTORS

Director's Name	Туре	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID)	Elected when (Annual / Special Meeting)	No. of years served as director
Jose E.B. Antonio	Executive	CPI	Karl Cabili –None	7/11/2011	06/14/2018	Annual	8
Jose L. Cuisia, Jr.	Independent	CPI	Karl Cabili – None	6/22/2015	06/14/2018, 4yrs	Annual	4
Stephen T. CuUnjieng	Independent	CPI	Karl Cabili – None	6/22/2015	06/14/2018, 4yrs	Annual	4
Carlos C. Ejercito	Independent	CPI	Karl Cabili – None	6/22/2015	06/14/2018, 4yrs	Annual	4
John Victor R. Antonio	Executive	CPI	Karl Cabili – None	7/11/2011	06/14/2018	Annual	8
Jose Marco R. Antonio	Executive	CPI	Karl Cabili – None	7/11/2011	06/14/2018	Annual	8
Jose Roberto R. Antonio	Executive	CPI	Karl Cabili – None	7/11/2011	06/14/2018	Annual	8
Jose Carlo R. Antonio	Executive	CPI	Karl Cabili – None	7/11/2011	06/14/2018	Annual	8
Rafael G. Yaptinchay	Executive	CPI	Karl Cabili – None	7/11/2011	06/14/2018	Annual	8
Ricardo P. Cuerva	Non-Executive	CPI	Karl Cabili – None	7/11/2011	06/14/2018	Annual	8

POLICY ON TREATMENT OF SHAREHOLDERS

The Board of Directors of CPGI believes that corporate governance is a necessary component of what constitutes sound strategic business management. CPGI undertakes every effort necessary to create awareness and promote best governance standards. The Company's Articles of Incorporation and By-laws, including its amendments, constitute the basic structures of governance, primary duties of the Board of Directors and Officers while the Manual of Corporate Governance supplements these Articles of Incorporation and By-laws in setting forth the principles of good and transparent governance. The company has only one class of shares and each share carries one vote.

The Board of Directors and the Officers ensures adherence to mandated regulatory compliances, corporate

principles and best practices. The corporate powers, business and property of the corporation are exercised and controlled by the Board of Directors. The Company follows and adheres to the following policies under the revised Amended Corporate Governance Manual as submitted to the Honorable Commission on May 31 2017 in compliance with SEC Memorandum Circular No. 9 Series 2014 and SEC Memorandum Circular No. 19 Series of 2016.

It is the primary duty of the Board of Directors to promote shareholders' rights. The Management on the other hand is responsible for guiding the Company towards its goals. The Chief Compliance Officer oversees the Corporate Compliance Program, functioning as an independent and objective body that reviews and

evaluates compliance issues and concerns within the Company. The Compliance Officer ensures that relevant and accurate information are timely disclosed to the stockholders, the investing public and regulatory agencies, and ensures that the Board of Directors, management and employees are in compliance with the rules and regulations of regulatory agencies, that company policies and procedures are being followed, and that behavior in the organization meets the company's Standards of Conduct.

The Company respects all rights of shareholders, especially the minority shareholders which are provided in its Articles of Incorporation, as follows:

ARTICLE 6: STOCKHOLDERS' RIGHTS AND PROTECTION OF MINORITY STOCKHOLDERS' INTERESTS

The Company recognizes that the most cogent proof of corporate governance is that which is visible to the eyes of its shareholders. Therefore, the provisions hereunder are issued for the guidance of all internal and external parties concerned, as governance covenant between the Company and all its shareholders.

- A. For the protection of shareholders and minority interests, the Board shall be committed to respect the following rights of the stockholders:
- (1) Voting Right
 - (a) Shareholders shall have the right to elect, remove and replace directors and vote on certain corporate acts, in accordance with the Corporation Code.
 - (b) Cumulative voting shall be used in the election of directors.
 - (c) A director shall not be removed without cause, if it will deny minority shareholders of representation in the Board.

(2) Pre-Emptive Right

All stockholders shall have pre-emptive rights, unless the same is denied in the Articles of Incorporation, or an amendment thereto, of the Company. All stockholders shall have the right to subscribe to the capital stock of the Company. The Articles of Incorporation shall lay down the specific rights and powers of the shareholders with respect to the particular shares they hold, all of which shall be protected by law so long as they shall not be in conflict with the Corporation Code.

(3) Power of Inspection

Subject to reasonable restrictions in accordance with the Corporation Code and jurisprudence, all shareholders shall be allowed to inspect the corporate books and records of the Company, including minutes of Board meetings and stock registries, and shall be furnished with annual reports, including financial statements, without cost.

(4) Right to Information

- (a) The shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers of the Company, and certain other matters such as the directors' and officers' holdings of the Company's shares, dealings with the Company, relationships among directors and key officers of the Company, and the aggregate compensation of the directors and officers.
- (b) The minority shareholders shall have the right to propose the holding of stockholder's meeting, and the right to propose items in the agenda of the meeting, provided that the items in the agenda are for legitimate business purposes. Legitimate business purposes shall include information on matters under the immediately succeeding subsection.
- (c) The minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and should disclose to the shareholders.

(5) Right to Dividends

- (a) All shareholders shall have the right to receive dividends, subject to the discretion of the Board.
- (b) The Company shall be compelled to declare dividends when its retained earnings shall be in excess of one hundred percent (100%) of its paid-in capital stock except in the following cases:
 - (b.1) When justified by definite corporate expansion projects or programs approved by the Board, or
- (b.2) When the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured, or
- (b.3) When it can be clearly shown that such retention is necessary under special circumstances obtaining in the Company, such as when there is a need for a special reserve for probable contingencies.

(6) Appraisal Right

The shareholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under Section 82 of the Corporation Code of the Philippines, under any of the following circumstances:

- (a) In case an amendment to the Articles of Incorporation of the Company has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respects superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- (b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and
- (c) In case of merger or consolidation.
- B. It shall be the duty of the Board to promote shareholder rights, remove impediments to exercise of shareholders' rights, and allow possibilities to seek redress for violation of their rights. The Board shall encourage the exercise of shareholders' voting rights and the solution of collective action problems through appropriate mechanisms. The Board shall pave the way for the electronic filing and distribution of shareholder information necessary to make informed decisions, subject to legal constraints.

The Company likewise has adopted a Governance Self-rating form and important regulations on Corporate Governance Policies, as follows:



ARTICLE 7: GOVERNANCE SELE-RATING FORM

The Board shall create an internal self-rating system that can measure the performance of the Board and Management in accordance with the criteria provided for in this Code.

The creation and implementation of such self-rating form, including its salient features, may be disclosed in the corporation's annual report.

ARTICLE 8: REPORTORIAL OR DISCLOSURE SYSTEM OF COMPANY'S CORPORATE GOVERNANCE POLICIES

The essence of corporate governance is transparency. The more transparent the internal workings of the Company are, the more difficult it will be for Management and dominant stockholders to mismanage the Company or misappropriate its assets. It is therefore essential that all material information about the corporation which could adversely affect the viability or the interest of the Company's stockholders and other stakeholders shall be publicly and timely disclosed. Information shall include but not limited to earnings results, acquisition or disposition of assets, off balance sheet transactions, related party transactions and direct and indirect remuneration of the Board and Management.

The Board shall therefore commit at all times to full disclosure of materials information dealings. It shall cause the filings of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the Commission for the interest of its stockholders and other stakeholders. (as amended on July 31, 2014)

The following are the guidelines of the Company's disclosure system:

- A. The reports or disclosures required under this Manual shall be prepared and submitted to the Commission by the responsible committee or officer through the Company's Compliance Officer
- B. All material information shall be publicly disclosed. Material information shall be anything that could potentially affect share price, and shall include earnings results, acquisition or disposal of assets, board changes, related party transactions, shareholdings of directors and changes in ownership.
- C. Other information that shall always be disclosed includes remuneration, including stock options, of all directors and senior management and off-balance sheets transactions.
- D. All disclosed information shall be released via the approved stock exchange procedure for company announcements, as well as through the current and annual reports.
- E. The Board shall commit at all times to fully disclose material information dealings. The Board shall cause the filing of all required information for the interest of the stakeholders.



ARTICLE 9: COMMITMENT TO GOOD CORPORATE GOVERNANCE

The Board of Directors and its Senior Management shall establish and implement this Manual on Corporate Governance in accordance with the SEC Revised Code of Corporate Governance. The rules embodied in this manual shall be used as reference by the members of the Board and Management.

The following are the guidelines for the effective implementation of this Manual:

A. COMMUNICATION PROCESS

- (1) This Manual shall be available for inspection by any stockholder of the Company at reasonable hours on business days.
- (2) All directors, executives, and division and department heads of the Company are tasked to ensure the thorough dissemination and communication of this Manual to all employees and related parties and to enjoin compliance in the process.
- (3) An adequate number of printed copies of this Manual must be reproduced by the Human Resources Department, or its equivalent, of the Company, with a minimum of at least one (1) hard copy of the Manual for every department.

B. TRAINING PROCESS

- (1) If necessary, funds shall be allocated for the purposes of conducting an orientation program or workshop to operationalize this Manual
- (2) A director shall, before assuming as such, be required to attend a seminar on corporate governance which shall be conducted by a duly recognized private or government institute.

C. MONITORING AND ASSESSMENT

- (1) Each Committee shall report regularly to the Board of Directors.
- (2) The Compliance Officer shall establish an evaluation system to determine and measure compliance with this Manual. Any violation thereof shall subject the responsible officer to employee to the penalty provided under Article 11 of this Manual.
- (3) The establishment of such evaluation system, including the features thereof, shall be disclosed in the Company's Annual Report (SEC Form 17-A). The adoption of such performance evaluation system must be covered by Board approval.
- (4) This Manual shall be subject to annual review, unless the same frequency is amended by the Board.
- (5) All business processes and practices being performed within any department or business unit of the Company that are not consistent with any portion of this Manual shall be revoked, unless upgraded to compliant extent.

ARTICLE 10: REGULAR REVIEW OF THE MANUAL AND SCORECARD

To monitor the compliance of CPGI with this Manual, Commission shall require the Company to accomplish annually a scorecard on the scope, nature and extent of the actions of the Board and Senior Management to meet the objectives of this Manual.

The Commission shall periodically review this Code to ensure that it meets its objectives.

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DIRECTORSHIP IN THE COMPANY'S GROUP

Below are members of the company's Board of Directors who hold the office of director in other companies within its Group:

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Jose E.B. Antonio	Century Properties Inc. (CPI, Parent Company)	Executive, Chairman
	Century City Development Corporation (CCDC)	Executive, Chairman
	Century City Corporation (CCC)	Executive, Chairman
	Century Limitless Corporation (CLC)	Executive, Chairman
	Century Properties Management Inc. (CPMI)	Executive, Chairman
John Victor R. Antonio	CPI	Executive
	CCDC	Executive
	CCC	Executive
	CLC	Executive
	CPMI	Executive
Jose Marco R. Antonio	CPI	Executive
	CCDC	Executive
	CCC	Executive
	CLC	Executive
	CPMI	Executive
Jose Roberto R. Antonio	CPI	Executive
	CCC	Executive
	CLC	Executive
Jose Carlo R. Antonio	CPI	Executive
	CLC	Executive
	CPMI	Executive
Rafael G. Yaptinchay	CPI	Executive
Ricardo P. Cuerva	CPI	Executive

DIRECTORSHIP IN OTHER LISTED COMPANIES

		Type of Directorship (Executive, Non-Executive,
Director's Name	Corporate Name of the Group Company	Independent). Indicate if director is also the Chairman.
Rafael G. Yaptinchay	Marc Ventures Inc.	Independent
Jose L. Cuisia, Jr	Phinma Corporation	Independent
	SM Prime Holdings Inc.	Independent
	Manila Water Company, Inc.	Independent
Stephen T. CuUnjieng	Aboitiz Equity Ventures, Inc.	Independent
Carlos C. Ejercito	Aboitiz Power Corporation	Independent
	Bloomberry Resorts Corporation	Independent

RELATIONSHIP WITHIN THE COMPANY AND ITS GROUP

Director's Name	Name of the Significant Shareholder	Description of the relationship
Jose E.B. Antonio	Century Properties Inc. (CPI, Parent Company)	Majority Shareholder
John Victor R. Antonio	CPI	Shareholder, son of Jose E.B. Antonio
Jose Marco R. Antonio	CPI	Shareholder, son of Jose E.B. Antonio
Jose Roberto R. Antonio	CPI	Shareholder, son of Jose E.B. Antonio
Jose Carlo R. Antonio	CPI	Shareholder, son of Jose E.B. Antonio

LIMIT ON THE NUMBER OF BOARD SEATS IN OTHER COMPANIES (PUBLICLY LISTED, ORDINARY AND COMPANIES WITH SECONDARY LICENSE) THAT AN INDIVIDUAL DIRECTOR OR CEO MAY HOLD SIMULTANEOUSLY:

Director's Name	Guidelines	Maximum Number of Directorships in other companies
Executive Director	No limites placed	N.A.
Non-Executive Director	No limites placed	N.A.
CEO	No limites placed	N.A.

The Chief Executive Officer and other executive directors of the Company shall submit themselves to a low indicative limit on membership in other corporate boards, within the limit as may be allowed by the Securities Regulations Code and relevant rules on Corporate Governance. The same low limit shall apply to independent, non-executive directors who serve as full-time executives in other corporations. An exception to this rule may be applied to memberships in the corporate boards of subsidiaries or affiliates of the Company. In any case, the capacity of directors to serve the Company with diligence shall not be compromised.

MEMBERS OF THE COMPANY'S BOARD OF DIRECTORS WHO DIRECTLY AND INDIRECTLY OWN SHARES IN THE COMPANY:

As of December 31, 2018

Director's Name	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Jose E.B. Antonio	79,530,000 + 1 nominal share	0	0.685
John Victor R. Antonio	1 nominal	0	0
Jose Marco R. Antonio	1 nominal	0	0
Jose Roberto R. Antonio	1 nominal	0	0
Jose Carlo R. Antonio	1 nominal	0	0
Rafael G. Yaptinchay	1 nominal	0	0
Ricardo P. Cuerva	214,995,168 + 1 nominal share	0	1.85
Total	294,525,178	0	2.53

ROLES, ACCOUNTABILITIES AND DELIVERABLES OF THE CHAIRMAN AND CEO:

Define and clarify the roles, accountabilities and deliverables of the Chairman and CEO.

	CHAIRMAN	CHIEF EXECUTIVE DIRECTOR
Role	Foster long term growth	Manages company operations
Accountabilities	Policies formulation and expressed fiduciary duties towards shareholders	Initiate and develop corporate objectives and implement policies
Deliverables	Comply with principles of good governance	Meet revenue and growth targets

DIVERSITY IN THE BOARD

The company strives to promote diversity within the Board. Positions which are not taken up by the major shareholders are filled by members who have relevant experience and can bring ideas and opinions that is both beneficial for the Company and its shareholders.

The qualifications of directors shall be in accordance with the qualifications for membership provided for in the Corporation Code, Securities Regulation Code and other relevant laws which include among others, the following:

- 1) The candidate shall be a holder of at least one (1) share of stock of the Company;
- 2) The candidate shall at least be a college graduate or shall have sufficient experience in managing the business of the Company to substitute and compensate for such formal education;
- 3) The candidate shall be at least twenty-one (21) years of age;
- 4) The candidate shall possess proven integrity and probity;

ROLES, ACCOUNTABILITIES AND DELIVERABLES OF THE EXECUTIVE, NON-EXECUTIVE AND INDEPENDENT DIRECTORS

The company's independent directors are well versed in corporate matters, experts in the field of financial, law and industry matters. They have the adequate understanding of the real estate industry and competence in managing relevant industry and professional organizations. Other non- executive directors are experts in their own sector or industry.

	EXECUTIVE	NON-EXECUTIVE	INDEPENDENT DIRECTOR
Role	Represents Management	Represents major shareholders' interests	Provides neutral observations
Accountabilities	Management of business affairs	Ensures sustainable growth	Setting high standards for best practice
Deliverables	Meet corporate objectives	Monitors company progress	Safeguard interest of all shareholders

An independent director shall mean a person other than an officer or employee of the corporation, its parent or its subsidiaries, or any other individual having a relationship with the corporation as would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The Company's Independent Directors have confirmed to the Corporate Secretary that they do not hold any interests affiliated with the Company, or any of the controlling shareholders at the time of their appointment and election.

In compliance with the SEC Memorandum circular no 9 series of 2011, the Company's independent director has a term limit of five years. After the 5-year term limit, a two-year (2) grace period is implemented with no term limits.

SELECTION/APPOINTMENT, RE-ELECTION, DISQUALIFICATION, REMOVAL, REINSTATEMENT AND SUSPENSION

	PROCEDURE	PROCESS ADOPTED	CRITERIA
	(i) Executive Directors	Nominated/Elected	Ex-officio – CEO
Selection/Appointment	(ii) Non-Executive Directors	Nominated/Elected	Major Shareholders
selection, appointment	(iii) Independent Directors	Nominated/Elected	Expertise in industry; Experience and knowledge
	(i) Executive Directors	Election at Annual Stockholders Meeting	One vote for one share
Re-appointment	(ii) Non-Executive Directors	Election at Annual Stockholders Meeting	One vote for one share
	(iii) Independent Directors	Election at Annual Stockholders Meeting	One vote for one share
Permanent Disqualification	(i) Executive Directors	NA	NA
– No Directors Permanently	(ii) Non-Executive Directors	NA	NA
Disqualified	(iii) Independent Directors	NA	NA
Temporary Disqualification	(i) Executive Directors	NA	NA
- No Directors Temporarily	(ii) Non-Executive Directors	NA	NA
Disqualified	(iii) Independent Directors	NA	NA
	(i) Executive Directors	NA	NA
Removal – No Directors removed from office	(ii) Non-Executive Directors	NA	NA
removed from office	(iii) Independent Directors	NA	NA
Re-instatement – No	(i) Executive Directors	NA	NA
Directors Removed from or re-instated into office	(ii) Non-Executive Directors	NA	NA
	(iii) Independent Directors	NA	NA
	(i) Executive Directors	NA	NA
Suspension – No Directors Suspended	(ii) Non-Executive Directors	NA	NA
	(iii) Independent Directors	NA	NA

The qualifications of directors shall be in accordance with the qualifications for membership which include among others, the following:

- (1) The candidate shall be a holder of at least one (1) share of stock of the Company;
- (2) The candidate shall at least be a college graduate or shall have sufficient experience in managing the business of the Company to substitute and compensate for such formal education;
- (3) The candidate shall be at least twenty-one (21) years of age;
- (4) The candidate shall possess proven integrity and probity;

DISQUALIFICATION OF DIRECTORS

- I. Permanent Disqualification
 The following shall be grounds for the permanent disqualification of a director:
- Any person finally convicted judicially of any offense involving moral turpitude or fraudulent acts or transgressions;
- b. Any person finally found by the Commission or court of law or administrative body to have wilfully violated, or wilfully aided, abetted, counselled, induced or procured the violation of, any provision of the Securities Regulation Code, the Corporation Code, or any other law administered by the Commission or the Bangko Sentral ng Pilipinas, or any rule, regulation or order of the Commission or the Bangko Sentral ng Pilipinas;
- c. Any person judicially declared to be insolvent;
- d. Any person finally found guilty by a foreign court or tribunal or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated in the foregoing paragraphs a, b, and c;
- e. Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Securities Regulation Code or the Corporation Code committed within five (5) years prior to the date of the director's nomination, election or appointment; and
- f. If the independent director becomes an officer or employee of the Company, such independent director shall be automatically disqualified from being an independent director.

- II. Temporary Disqualification
 Any of the following shall be a ground for the temporary disqualification of a director:
- a. Refusal to fully disclose the extent of his business interests as required by the Securities Regulation Code and its implementing Rules and Regulations. This disqualification shall be in effect as long as the director's refusal persists;
- b. Absence or non-participation for whatever reason for more than fifty percent (50%) of all Board meetings, both regular or special, of a member of the Board of Directors during his incumbency, or any twelve (12) month period during said incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification applies for purposes of the succeeding election;
- c. Dismissal or termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;
- d. Being under preventive suspension by the Company, if and executive director;
- e. Conviction of any of the grounds for the disqualification of directors that has not yet become final; and
- f. Beneficial equity ownership of an independent director in the corporation or its subsidiaries and affiliates of more than two percent (2%) of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with.

A temporarily disqualified director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. Failure to do so for unjustified reasons shall disqualify the director permanently.

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TURN OF THE CENTURY 163

VOTING RESULT OF THE LAST ANNUAL GENERAL MEETING HELD LAST JUNE 14, 2018

DIRECTOR'S NAME	PROCEDURE
Jose E.B. Antonio	8,847,227,934 shares or 76.27%
Jose L. Cuisia, Jr	8,847,227,934 shares or 76.27%
Stephen T. CuUnjieng	8,847,227,934 shares or 76.27%
Carlos C. Ejercito	8,847,227,934 shares or 76.27%
John Victor R. Antonio	8,780,304,708 shares or 75.69%
Jose Marco R. Antonio	8,780,304,708 shares or 75.69%
Jose Roberto R. Antonio	8,780,304,708 shares or 75.69%
Jose Carlo R. Antonio	8,780,304,708 shares or 75.69%
Rafael G. Yaptinchay	8,780,304,708 shares or 75.69%
Ricardo P. Cuerva	8,780,304,708 shares or 75.69%

ORIENTATION AND EDUCATION PROGRAM

Under the Company's Corporate Governance manual and best practice, all new directors and senior officers are required to take the orientation on good governance and risk management. The Board of Directors shall take note on the need to implement a policy program for new directors. The current board members, save for the three new Independent Directors, are more than 5 years in office since CPGI has changed it Management from East Asia Power Resources last 2011.

IN-HOUSE TRAINING AND EXTERNAL COURSES ATTENDED BY DIRECTORS AND SENIOR MANAGEMENT FOR THE PAST THREE (3) YEARS:

- 1. Corporate Governance Orientation Course for Directors and Officers August 2011, conducted by Sycip Gorres and Velayo
- 2. ISO Training Seminar for Systems and Data May 2012, Neville Clark Inc.
- 3. Strategic Planning Seminar July 2012, In-house, Corporate Planning Group
- 4. Risk Management Seminar October 2012, Ateneo Graduate School of Business
- 5. Corporate Governance Seminar for Directors and Key Officers November 2014, Philippine Stock Exchange
- 6. Annual Corporate Governance Training Program November 2015, Institute of Corporate Directors
- 7. SEC Corporate Governance Forum August 2016, SEC
- 8. Annual Corporate Governance Training Program September 2017, Institute of Corporate Directors
- 9. Annual Corporate Governance Training Program December 19, 2018, Institute of Corporate Directors

The executive directors as well as the Senior Officers of the Company attended the Annual Corporate Governance Training Program last December 19, 2018 conducted by the Institute of Corporate Directors. The training program shall continue and will be conducted annually.



CODE OF BUSINESS CONDUCT & ETHICS

Company's policies on the following business conduct or ethics affecting directors, senior management and employees:

BUSINESS CONDUCT & ETHICS	DIRECTORS	SENIOR MANAGEMENT	EMPLOYEES
Conflict of Interest	Does not vote on activities in which there is a conflict of interest	Are not allowed to be involved in the decision- making process if conflict of interest is present	Are not allowed to be involved in the decision-making process if conflict of interest is present
Conduct of Business and Fair Dealings	Should follow best practices and company policies	Should follow best practices and company policies	Should follow best practices and company policies
Receipt of gifts from third parties	Based on The Code of Conduct & Discipline, and Offenses & Corresponding Penalties	Based on The Code of Conduct & Discipline, and Offenses & Corresponding Penalties	Based on The Code of Conduct & Discipline, and Offenses & Corresponding Penalties
Compliance with Laws & Regulations	Monitored by the compliance officer and other officers	Monitored by the compliance officer and other officers	Monitored by the compliance officer and other officers
Respect for Trade Secrets/Use of Non-public Information	Policy on non-disclosure in place. Discouraged from using such information	Policy on non-disclosure in place. Discouraged from using such information	Policy on non-disclosure in place. Discouraged from using such information
Use of Company Funds, Assets and Information	Regulated through Manual on Corporate Governance	Regulated through Manual on Corporate Governance	Regulated through Manual on Corporate Governance
Employment & Labor Laws & Policies	Meet at least the minimum criteria set by the labor authorities	Meet at least the minimum criteria set by the labor authorities	Meet at least the minimum criteria set by the labor authorities
Disciplinary action	Based on Manual of Corporate Governance	Based on Manual of Corporate Governance and Company policy	Based on Manual of Corporate Governance and Company policy
Conflict Resolution	Based on The Code of Conduct & Discipline, and Offenses & Corresponding Penalties	Based on The Code of Conduct & Discipline, and Offenses & Corresponding Penalties	Based on The Code of Conduct & Discipline, and Offenses & Corresponding Penalties

Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

The rules and procedures have been disseminated to management and employees under the Company's code of conduct and ethics.

The Company is committed to provide an encouraging work environment to its employees, and be an engaging business partner to its clients and service providers. It is the policy of CPGI to promote discipline in the organization by taking corrective action as may be needed for the protection of all employees and clients, CPGI's properties and interests. These rules were prepared to ensure fair and consistent treatment and constructive actions of any employee who has made a mistake.

The responsibility of ensuring that discipline exists in CPGI is jointly vested upon HRD, Department Heads and Supervisors. All supervisors and Department Heads should encourage the development of an environment where positive discipline comes naturally.

Policy measures will be promulgated as the need arises to supplement, implement and amend any of the provisions contained herein.

RELATED PARTY TRANSACTIONS

Policies and Procedures

Policies and Procedures	
RELATED PARTY TRANSACTIONS	POLICIES AND PROCEDURES
Parent Company	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party. Contracts are reviewed by senior management, approved by the majority of the board, monitored and recorded accordingly by the Compliance officer such contracts are deemed material for disclosure and affects directly the shareholders of the company and other officers in charge for other contracts as the case may be.
Joint Ventures	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party. Contracts are reviewed by senior management, approved by the majority of the board, monitored and recorded accordingly by the Compliance officer such contracts are deemed material for disclosure and affects directly the shareholders of the company and other officers in charge for other contracts as the case may be.
Subsidiaries	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party. Contracts are reviewed by senior management, approved by the majority of the board, monitored and recorded accordingly by the Compliance officer such contracts are deemed material for disclosure and affects directly the shareholders of the company and other officers in charge for other contracts as the case may be.
Entities Under Common Control	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party. Contracts are reviewed by senior management, approved by the majority of the board, monitored and recorded accordingly by the Compliance officer such contracts are deemed material for disclosure and affects directly the shareholders of the company and other officers in charge for other contracts as the case may be.
Substantial Stockholders	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party. Contracts are reviewed by senior management, approved by the majority of the board, monitored and recorded accordingly by the Compliance officer such contracts are deemed material for disclosure and affects directly the shareholders of the company
Officers including spouse/children/ siblings/parents	No such related party transaction
Directors including spouse/children/ siblings/parents	No such related party transaction
Interlocking director relationship of Board of Directors	The board member has to have knowledge of industry if he/she serves on the board of subsidiary etc.

CONFLICT OF INTEREST

(i) Directors/Officers and 5% or more Shareholders

(i) Directors, Officers and 570 of friore si	larer lotaers
DIRECTOR'S NAME	DETAILS OF CONFLICT
Jose E.B. Antonio John Victor R. Antonio Jose Marco R. Antonio Jose Roberto R. Antonio Jose Carlo R. Antonio	of Interest (Actual or Probable)
Ricardo P Cuerva	Mr. Cuerva is one of the shareholders of CPI. No actual nor probable conflict of interest as of to date.
DIRECTOR'S OFFICER/S	DETAILS OF CONFLICT
_	N.A.
DIRECTOR'S SIGNIFICANT SHAREHOLDERS	DETAILS OF CONFLICT
PCD Nominee Corporation Foreign and Filipino	PCD Nominee corporation owns beneficial shares of more than 5%. No actual nor probable conflict of interest is involved since these shares are publicly held and traded.

The control environment of the Company consists of (a) the Board which ensures that the Company is properly and effectively managed and supervised; (b) a Management that actively manages and operates the Company in a sound and prudent manner; (c) the organizational and procedural controls supported by effective management information and risk management reporting systems; and (d) an independent audit mechanism to monitor the adequacy and effectiveness of the corporation's governance, operations, and information systems, including the reliability and integrity of financial and operational information, the effectiveness and efficiency of operations, the safeguarding of assets, and compliance with laws, rules, regulations and contracts.

The minimum internal control mechanisms for the performance of the Board's and Management's oversight responsibility include review of conflict of interest situations.

The personal interest of directors, key officers and employees should never prevail over the interest of the Company. If an actual or potential conflict of interest should arise on the part of directors, it should be fully disclosed, and the concerned director should not participate in the decision-making. If a director has an interest in a matter under consideration by the board, then the director should not participate in those discussions and the board should follow any further appropriate processes. Individual directors should be conscious of shareholder and public perceptions and seek to avoid situations where there might be an appearance of conflict of interest.

RELATED PARTIES

NAMES OF RELATED SIGNIFICANT SHAREHOLDERS	TYPE OF RELATIONSHIP	BRIEF DESCRIPTION OF THE RELATIONSHIP
Jose E.B. Antonio John Victor R. Antonio Jose Marco R. Antonio Jose Roberto R. Antonio Jose Carlo R. Antonio	Family	Jose E.B. Antonio is the father of siblings Messrs. John Victor R. Antonio, Jose Marco R. Antonio, Jose Carlo R. Antonio and Jose Roberto R. Antonio. Through CPI, of which all are shareholders, they own the majority
Ricardo P. Cuerva	Shareholder of Parent Company of CPGI and direct beneficial owner of shares of CPGI. Business partner of the subsidiaries for construction under Century Properties Management and Construction Corporation	shares of CPGI. Mr. Cuerva is one of the business partners of the CPGI subsidiaries for construction under Century Properties Management and Construction Corporation

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.

The effects of the related party transactions are shown under the following accounts in the consolidated financial statements:

Due from Related Parties

	2018	2017	AMOUNT OF TRANSACTION	TERMS AND CONDITIONS
Ultimate Parent	161,480,105	235,324,180	(73,844,075)	Noninterest bearing,
Stockholders	160,320,970	153,076,337	7,244,633	due and demandable,
Other affiliates	72,553,433	102,845,431	(30,291,998)	unsecured, no impairment
	394,354,508	491,245,948		

Due to Related Parties

	2018	2017	AMOUNT OF TRANSACTION	TERMS AND CONDITIONS
Ultimate Parent	37,070,486	_	37,070,486	
Stockholders	19,175,305	19,175,305	-	Noninterest bearing, due and demandable, unsecured
Other affiliates	42,329,407	28,995,726	13,333,681	and demandable, ansecured
	98,575,198	48,171,031		

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. 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 its capital expenditures. These are generally noninterest bearing and are due and demandable.

ALTERNATIVE DISPUTE RESOLUTION

It is the Board's responsibility to foster the long-term success of the Company and secure its sustained competitiveness in a manner consistent with the Board's fiduciary responsibility, including the means to effectively Management's performance, which the Board shall exercise in the best interest of the Company, its shareholders and other stakeholders. The Board shall conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities.

To ensure a high standard of best practice for the Company, its shareholders and stakeholders, the Board shall: (as amended on July 31, 2014)

- a. Install, through the Nomination and Remuneration Committee, a process of selection that will ensure a mix of competent directors and officers;
- b. Determine the Company's purpose, its mission and vision, and strategies to carry out the Company's objectives;
- c. Ensure that the Company complies with all relevant laws, rules and regulations, and codes of best business practices;
- d. Appoint a Compliance Officer who shall have the rank of at least vice president, In the absence of such appointment, the Corporate Secretary and/or the Assistant Corporate Secretary shall act as Compliance Officer.
- e. Identify the Company's major and other stakeholders, and formulate a clear policy on communicating or relating with them through an effective investor relations program; (as amended on July 31, 2014)
- f. Establish and maintain an investor relations program that will keep the stockholders informed of important developments in the corporation. If feasible, the corporation's CEO or Chief Financial Officer shall exercise oversight responsibility over this program

- g. Adopt a system of internal checks and balances;
- h. Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the corporation and its parent company, joint venture, subsidiaries, associates, affiliates, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.
- i. Identify key risk areas and key performance indicators, and monitor these factors with due diligence;
- j. Constitute an Audit Committee and such other committees it deems necessary to assist the Board in the performance of its duties and responsibilities.
- k. Proper discharge Board functions by meeting regularly. Independent views during the Board meetings shall be given due consideration and all such meetings shall be duly minuted; and
- I. Keep Board authority within its powers, as prescribed in the Articles of Incorporation and By-Laws of the Company and in relevant laws, rules and regulations.
- m. Establish and maintain an alternative dispute resolution system in the Company that can amicably settle conflicts or differences between the Company and its stockholders, and the Company and third parties, including the regulatory authorities.

The company has not had disputes in the last 3 years with the stockholders, regulatory authorities and third parties.



BOARD MEETINGS & ATTENDANCE

Regular Board meetings are held once in every quarter. The meetings are scheduled before the beginning of the year. For this year, the Regular Board Meetings are scheduled as follows:

First Quarter – March 18 Second Quarter – May 8 Third Quarter – August 8 Fourth Quarter – November 8

There are also special board meetings that are held from time to time, as the need to discuss important business matters and updates from the Company arise. These special meetings are scheduled a week ahead of the scheduled dates.

ATTENDANCE OF DIRECTORS – ALL DIRECTORS WERE RE-ELECTED AND ELECTED, RESPECTIVELY IN JUNE 2018.

BOARD	NAME	DATE OF ELECTION	NO. OF MEETINGS HELD DURING THE YEAR	NO. OF MEETINGS ATTENDED	%
Chairman	Jose Eduardo B. Antonio	June 2018	6	6	100%
Member	John Victor R. Antonio	June 2018	6	3	50%
Member	Jose Marco R. Antonio	June 2018	6	6	100%
Member	Jose Carlo R. Antonio	June 2018	6	6	100%
Member	Jose Roberto R. Antonio	June 2018	6	4	70%
Member	Ricardo P. Cuerva	June 2018	6	6	100%
Member	Rafael G. Yaptinchay	June 2018	6	6	100%
Independent	Jose L. Cuisia, Jr	June 2018	6	6	100%
Independent	Stephen T. CuUnjieng	June 2018	6	6	100%
Independent	Carlos C. Ejercito	June 2018	6	6	100%

The Non-executive directors endeavor to have separate meeting, without the presence of any executive, at least once during the year.

Under the Corporation's By-laws, a majority of the number of directors constitutes a quorum for the transaction of corporate business and every decision of at least majority of the directors present in the meeting at which there is a quorum is valid as a corporate act except for the election of officers and other corporate acts expressly stated in the SEC and PSE requiring the vote of the majority of all members of the Board.

Generally, all board papers are sent at least three (3) days prior to the meeting.

All board members have independent access through landline, mobile, email, fax and other means of communication.

THE CORPORATE SECRETARY

Under the company's manual of corporate governance, the Corporate Secretary must be a licensed lawyer and the role of the corporate secretary is expressly stated in the manual. He is basically the individual who keeps the official records of the company, particularly the minutes and transactions of the meetings held by the Board and shareholders. Apart from the principal function, and as required by the Company's By-laws, he is the custodian of record books showing details required by law with respect to stockholdings of the corporation, attends to the giving and serving of notices of the corporation; certifies to corporate acts and countersigns corporate documents or certificates; and makes reports or statements as may be required by law or rules.

Such role includes assisting the Chairman in preparing the board agenda, facilitating training of directors, keeping directors updated regarding any relevant statutory and regulatory changes, etc.

The corporate secretary is a licensed attorney with expertise in legal and corporate law.

COMMITTEE	DETAILS OF THE PROCEDURES				
Executive	Copies of presentations and matters in the Agenda are				
Audit	provided by Management and distributed to the Board at least three (3) days before prior to the scheduled				
Nomination, Remuneration and Compensation	Committee Meeting These presentations or materials consist of complete and adequate information about the				
Risk Management Committee	matters to be taken in the meeting. Information include				
Related Party Transactions Committee	the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.				

EXTERNAL ADVICE

PROCEDURES	DETAILS
The Company's External Counsel, Atty. Nilo S. Divina is requested to attend all regular and special board meetings. The Corporate Secretary is likewise a licensed attorney. As the need arises, directors reserve the right to avail of external advice.	During some meetings, directors get the opinion of the external counsel on some legal matters.

REMUNERATION MATTERS

REMUNERATION PROCESS

NEINEN TOTAL NECESS						
PROCESS	CEO	TOP 4 HIGHEST PAID MANAGEMENT OFFICERS				
(1) Fixed remuneration	Based on industry standards, as determined by the Board of Directors (without the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee	Based on industry standards, as determined by the Board of Directors (without the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee				
(2) Variable remuneration	As determined by the Board of Directors (without the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee	As determined by the Board of Directors (without the presence of the concerned Officer/Executive Director) and recommended by the Executive Committee and the Nomination and Compensation Committee				
(3) Per diem allowance	Not provided	Per diem allowance is given to Management officers who are on official business for the reasonable travel expenses.				
(4) Bonus	Based on operational targets, as determined by the Board of Directors (without the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee	Based on operational targets, as determined by the Board of Directors (without the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee				
(5) Stock Options and other financial instruments	As determined by the Board of Directors (without the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee	As determined by the Board of Directors (without the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee				
(6) Others (specify)	-	-				

REMUNERATION POLICY AND STRUCTURE FOR EXECUTIVE AND NON-EXECUTIVE DIRECTORS

have regular compensation or benefits. They are only given last June 22, 2015.

per diem based on their attendance per meeting.

EXECUTIVE AND I	NON-EXECUTIVE L	JIRECTORS	
	REMUNERATION POLICY	STRUCTURE OF COMPENSATION PACKAGES	HOW COMPENSATION IS CALCULATED
Executive Directors	Fixed annual payment	Basic Pay, performance bonus depending on profitability	Based on Industry standard, as determined by the Board of Directors (without the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee
Non-Executive Directors	Per diem for Independent Directors	Per diem of Php100,000.00 for Independent Directors for each board and committee meeting	Based on Industry standard, as determined by the Executive Directors and recommended by the Nomination and Compensation Committee
REMUNERATION SCHEME		DATE OF STOCKHOLDER'S APPROVAL	
Executive Directors are given their regular compensation and benefits similar to the compensation structure of other Officers of the Company.		Stockholder's approval for remune not required. Per Company's Manthe Company shall establish a form for the development of a policy of determination of remuneration le officers depending on the particular director should participate in decident.	ual on Corporate Governance, mal and transparent procedure n executive remuneration or vels for individual directors or llar needs of the Company. No

Non-Executive Directors and Independent Directors do not
The current per diem rate was approved by the Board of Directors

REMUNERATION MATTERS

NUMBER OF MEMBERS, FUNCTIONS AND RESPONSIBILITIES

	NO. OF	NO. OF NON-	NO. OF				
COMMITTEE	EXECUTIVE DIRECTOR (ED)	EXECUTIVE DIRECTOR (NED)	INDEPENDENT DIRECTOR (ID)	COMMITTEE CHARTER	FUNCTIONS	KEY RESPONSIBILITIES	POWER
Executive	6	0	0	Develop a transparent business and organizational management system	Oversees the implementation of policies and corporate matters	Perform oversight management functions and decisions d for board	Management of overall system of operation for CPGI and subsidiaries
Audit	2	0	2	Develop a transparent financial management system	Check all financial reports against its compliance; monitors external audit	Performs oversight financial management functions	Pre-approve all audit plans and scope of work
Nomination Remuneration and Compensation	2	1	2	Determine personnel that can act as guides to the company's future undertakings.	Pre-screen and shortlist candidates	Define role duties and responsibilities	Decide if candidates possess the right qualifications
				Compensate competent personnel adequately for retention	Establish procedures to develop policy on executive remuneration	Provide oversight over remuneration of senior management and other key personnel	Designate amount of remuneration to attract and retain the right individuals
Risk Management	3	0	2	Safeguard the company from potential and adherent risks	Establish procedures to safeguard management from exposed risks and prevention of potential risks	Provides oversight on risk management	To implement procedures and resolutions for addressing risks
Related Party Transactions Committee	2	0	2	Ensure that every Related Party Transaction is conducted in a manner that will protect the Company and its stakeholders from conflict of interest which may arise between the Company and its Related Parties;	Ensure that every Related Party Transaction is at arm's length, the terms are fair, and they will inure to the best interest of the Company, its stakeholders, subsidiaries and affiliates	Proper review, evaluation, approval, ratification, disclosure and implementation of transactions between the Company and any of its Related Party/ies as required in compliance with legal and regulatory requirements	Review, evaluate and approve Related Party Transaction pursuant to the Policies and in compliance with legal and regulatory requirements



BOARD COMMITTEE MEMBERS

EXECUTIVE COMMITTEE

OFFICE	NAME	DATE OF APPOINTMENT	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED	%	LENGTH OF SERVICE IN THE COMMITTEE
Chairman	Jose E.B. Antonio	June 14, 2018	4	4	100	1 yr
Member (ED)	John Victor R. Antonio	June 14, 2018	4	4	100	1 yr
Member (ED)	Jose Marco R. Antonio	June 14, 2018	4	4	100	1 yr
Member (ED)	Jose Roberto R. Antonio	June 14, 2018	4	4	100	1 yr
Member (ED)	Jose Carlo R. Antonio	June 14, 2018	4	4	100	1 yr
Member (ED)	Rafael G. Yaptinchay	June 14, 2018	4	4	100	1 yr

AUDIT COMMITTEE

OFFICE	NAME	DATE OF APPOINTMENT	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED	%	LENGTH OF SERVICE IN THE COMMITTEE
Chairman (ID)	Stephen CuUnjieng	June 14, 2018	4	4	100	1 yr
Member (ID)	Carlos C. Ejercito	June 14, 2018	4	4	100	1 yr
Member (ED)	Jose Carlo R. Antonio	June 14, 2018	4	4	100	1 yr
Member (ED)	Jose Marco R. Antonio	June 14, 2018	4	4	100	1 yr
Member (NED)	Ricardo P. Cuerva	June 14, 2018	4	4	100	1 yr

The Audit Committee shall have the following functions:

- a) Check all financial reports against its compliance with both the internal financial management handbook and pertinent accounting standards, including regulatory requirements;
- b) Perform oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Company, and crisis management;
- c) Pre-approve all audit plans, scope and frequency one (1) month before the conduct of external audit;
- d) Perform direct interface functions with internal and external auditors;
- e) Elevate to prevalent international standard the accounting and auditing processes, practices and methodologies of the Company, and develop the following in relation to this duty:

- i. A definitive timetable within which the accounting system of the Company will be one hundred percent (100%) compliant with the International Accounting Standards (IAS); and
- ii. An accountability statement that will specifically identify officers and personnel directly responsible for the accomplishment of such task;
- iii. Regularly review and improve, if necessary, the Company's Controller's Policies and Procedures Manual, in order to provide for a transparent financial management system that will ensure the integrity of internal control activities throughout the Company and the entire organization; and
- iv. Recommend to the stockholder s the external auditor of the Company.

NOMINATION, COMPENSATION AND REMUNERATION COMMITTEE

OFFICE	NAME	DATE OF APPOINTMENT	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED	%	LENGTH OF SERVICE IN THE COMMITTEE
Chairman	Jose E.B. Antonio	June 14, 2018	4	4	100	1 yr
Member (ED)	Jose Marco R. Antonio	June 14, 2018	4	2	50	1 yr
Member (ID)	Jose L. Cuisia, Jr.	June 14, 2018	4	4	100	1 yr
Member – Non Board	Ritchelle T. Cordero HR Head	June 14, 2018	4	4	100	1 yr
Member (ID)	Carlos C. Ejercito	June 14, 2018	4	4	100	1 yr
Member – Non Board	Atty. Isabelita Ching Sales	June 14, 2018	4	4	100	1 yr

RISK MANAGEMENT COMMITTEE

OFFICE	NAME	DATE OF APPOINTMENT	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED	%	LENGTH OF SERVICE IN THE COMMITTEE
Chairman (ID)	Jose L. Cuisia, Jr.	June 14, 2018	4	4	100	1 yr
Member (ED)	Jose E.B. Antonio	June 14, 2018	4	4	100	1 yr
Member (ID)	Jose Carlo R. Antonio	June 14, 2018	4	4	100	1 yr
Member (ID)	Stephen T. CuUnjieng	June 14, 2018	4	4	100	1 yr
Member (ID)	Carlos C. Ejercito	June 14, 2018	4	4	100	1 yr
Member (ED)	Rafael G. Yaptinchay	June 14, 2018	4	4	100	1 yr

RELATED PARTY TRANSACTIONS COMMITTEE

OFFICE	NAME	DATE OF APPOINTMENT	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED	%	LENGTH OF SERVICE IN THE COMMITTEE
Chairman (ID)	Carlos C. Ejercito	June 14, 2018	1	1	100	1 yr
Member (ID)	Jose L. Cuisia, Jr.	June 14, 2018	1	1	100	1 yr
Member (ED)	Rafael G. Yaptinchay	June 14, 2018	1	1	100	1 yr
Member (ED)	Jose Marco R. Antonio	June 14, 2018	1	1	100	1 yr
Member (ED)	Jose Carlo R. Antonio	June 14, 2018	1	1	100	1 yr

Committee

Company and its Related Parties.

BOARD COMMITTEE MEMBERS

WORK DONE AND ISSUES ADDRESSED BY THE COMMITTEES

WORK DO	JNE AND ISSUES ADDRES:	SED BY THE COMMITTEES			
NAME OF COMMITTEE	WORK DONE	ISSUES ADDRESSED			
Executive	Approval of JV's, acquisition of land, availment of loans and real estate mortgage/s, approval of several project alunchesand endorsement to the board of placement and subscription transactions				
Audit	Assisted the Board in its oversight functions specifically relating to the financial reports, statements and soundness of the Company and compliance with legal and regulatory requirements.	Reviewed and approved the 2016 Audited Financial Statements of the Company as prepared by the external auditors Sycip, Gorres, Velayo & Co. (SGV), as well as the quarterly unaudited financial statements. The Committee gave its recommendation on the reappointment of SGV as the Company's external auditors for 2016 and the corresponding audit fee structure. The Committee likewise reviewed and/or approved specific matters presented by the Internal Audit Division and SGV.			
Nomination, Compensation and Remuneration	The Committee pre-screened and shortlisted all candidates nominated to become a member of the Board of Directors, in accordance with the minimum qualifications and disqualifications set forth in the Company's Regulations.	The Nomination and Remuneration Committee considered the following in the determination of the number of directorships in other corporations for the members of the Board: (a) The nature of the business of the corporation in which the director is also a member of the board; (b) The age of the director; (c) The number of directorships or active memberships and officers in other corporations or organizations; and (d) Possible conflict of interest. Nominate competent members only			
Risk Management	It reviewed departmental policies, as well as the adequacy and effectiveness of the Company's enterprise risk management process.	The Risk Management Committee provided a report to the Board on its assessment of the effectiveness of the risk management process and reviews reports from Internal Audit (IA) regarding the independent validation of compliance with the approved ERM Policy and assessment of current state of ERM framework.			
Related Party Transactions	It will ensure that every Related Party Transacthe Company and its stakeholders from conf	tion is conducted in a manner that will protect lict of interest which may arise between the			

COMMITTEE PROGRAMS

NAME OF COMMITTEE	PLANNED PROGRAMS	SSUES TO BE ADDRESSED			
Executive		rstem that can measure the performance of the Board and			
Audit	Management in accordance with the criteria p	rovided for in its Corporate Governance Manual.			
Nomination Remuneration Risk Management	The Board of Directors and its Senior Management has established and implemented this Manual on Corporate Governance in accordance with the SEC Revised Code of Corporate Governance. The rules embodied in this manual has been used as reference by the members of the Board and Management.				
Related Party	The following are the guidelines for the effecti	ve implementation of this Manual:			
Transactions Committee	business days. (2) All directors, executives, and division and thorough dissemination and communication enjoin compliance in the process. (3) An adequate number of printed copies of the copies of	tion by any stockholder of the Company at reasonable hours on d department heads of the Company are tasked to ensure the ation of the Manual to all employees and related parties and to of this Manual must be reproduced by the Human Resources mpany, with a minimum of at least one (1) hard copy of the			
	to operationalize this Manual (2) A director shall, before assuming as such shall be conducted by a duly recognized	the purposes of conducting an orientation program or workshop a, be required to attend a seminar on corporate governance which by private or government institute.			
	with this Manual. Any violation thereof s provided under Article 11 of the Manual. (3) The establishment of such evaluation sy Company's Annual Report (SEC Form 17- covered by Board approval. (4) This Manual shall be subject to annual re (5) All business processes and practices bein	n evaluation system to determine and measure compliance hall subject the responsible officer to employee to the penalty			

RISK MANAGEMENT SYSTEM

The Company's philosophy of risk management has its foundation in the concept that taking material risks is required in order to seek rewards and to fulfill the Company's multi-faceted mission. However, these risks should be assessed in order to ensure that effective mitigation strategies are employed to the greatest extent possible. Mitigation strategies should consider transferring or insuring risk, reducing the likelihood of the risk occurring, reducing the severity of the risk should it occur, avoiding the risk altogether, or accepting the risk, while continuing to monitor it to ensure it stays within the Company's risk appetite.

"The Risk Management Committee assists the Board of Directors (Board) in fulfilling its responsibility for oversight of the organization's risk management processes. It reviews and endorses to the Board changes or amendments to the ERM Policy, as well as the adequacy and effectiveness of the Company's enterprise risk management process. The Risk Management Committee provides a report to the Board on its assessment of the effectiveness of the risk management process and reviews reports from Internal Audit (IA) with regard to the independent validation of compliance with the approved ERM Policy and assessment of current state of ERM framework"

The Committee has conducted review of internal processes, procedures and policies for the year 2017 and the different departments of the Company are in the process of amending and formulating policies on a per department basis, which will be submitted to the Risk Management Committee and to be reviewed by the Audit Committee before presentation to the Board.

The ERM framework, policy and plan shall be reviewed periodically given the company's current internal and external environment. Based on results of monitoring and reviews, decisions shall be made on the corporate-wide desired state of the ERM framework and how the risk management framework, policy and plan can be improved. These decisions shall lead to improvements in the Company's management of risk and its risk management culture. Action plans to bridge the gaps between the current and desired states of the ERM framework shall be developed.

The Committee shall endeavor to conduct review of internal processes quarterly for the ensuing year.

RISK POLICY

(a) Company

The Company's philosophy of risk management has its foundation in the concept that taking material risks is required in order to seek rewards and to fulfill the Company's multi-faceted mission. However, these risks should be assessed in order to insure that effective mitigation strategies are employed to the greatest extent possible. Mitigation strategies should consider transferring or insuring risk, reducing the likelihood of the risk occurring, reducing the severity of the risk should it occur, avoiding the risk altogether, or accepting the risk, while continuing to monitor it to ensure it stays within the Company's risk appetite.

The Risk Management Committee assists the Board of Directors in fulfilling its responsibility for oversight of the organization's risk management processes. It reviews and endorses to the Board changes or amendments to the ERM Policy, as well as the adequacy and effectiveness of the Company's enterprise risk management process. The Risk Management Committee provides a report to the Board on its assessment of the effectiveness of the risk management process and reviews reports from Internal Audit (IA) regarding the independent validation of compliance with the approved ERM Policy and assessment of current state of ERM framework.

RISK EXPOSURE	RISK MANAGEMENT POLICY	OBJECTIVE
Business Development: Compliance Requirements Meet demand and expansion requirements	 Adequate checklist of items: Zoning, legally permissible, financially viable, and negotiation tie-up with Corporate Legal Continuous improvement on the Business Development's systems processes and procedures. 	Site Acquisition
Project and Product Development/ Design: Actual over budget Timely delivery of the Product Quality Product Actual Product commensurate with the Marketed product	 Adequate planning, monitoring, execution (e.g. especially on securing permits and licenses). Adherence to International/Best Standards/Practices Continuous improvement on the Project and Product systems processes and procedures. 	Timely and Quality Project Delivery
Pre-Sales Management: Timely deployment of Sales Agents Sales Support (Training, financial, actual deployment) Achieve targeted Sales	 Adherence to Company's systems processes and procedures. Discovering and penetrating new markets (e.g. Locally and Internationally) Continuous improvement on the Pre-Sales systems processes and procedures. 	Generate/Produce Sales
 Documents and Collections: Completeness and timely acquisition and availability (to client) of required documents Completeness and timely collection of payments 	 Adherence to Company's systems processes and procedures. Adequate monitoring of documents and collections Adherence to International/Best Standards/Practices Continuous improvement on the Documents and Collections systems processes and procedures. 	Complete documents Timely collection of payments
Inventory Management: • Monitoring of inventory per Project • Timely holding and booking of Units	 Adherence to Company's systems processes and procedures. Adequate monitoring and updating of inventory data Continuous improvement on the Inventory systems processes and procedures. 	Generate/Produce Sales
After-Sales Management: Complete and timely submission of required Notices (to Clients) Proper turn-over of Units Manage client complaints	 Adherence to Company's systems processes and procedures. Adherence to International/Best Standards/Practices Continuous improvement on the After-Sales systems processes and procedures. 	Client Satisfaction
Supporting Functions: Inefficiencies and ineffectiveness in various supporting business processes 	 Adherence to Company's systems processes and procedures. Adherence to International/Best Standards/Practices Continuous improvement on the Company's systems processes and procedures. 	Various business objectives relating to compliance, reporting and operations
 Inherent Risks: Significant down-turn of economy of certain targeted Markets Virus epidemic breakthrough Economic down-turn of the Philippines Natural Calamities and Environmental Issues 	 Adequate planning to ensure inherent risk is manage and minimize based on the risk appetite of the Company Timely monitoring of significant events which may affect the production of sales. Business continuity and flexibility to run operations to other targeted Markets 	Sustainability and Business Continuity

RISK MANAGEMENT SYSTEM

RISK POLICY

(b) Group		
RISK EXPOSURE	RISK MANAGEMENT POLICY	OBJECTIVE
Business Development: Compliance Requirements Meet demand and expansion requirements	 Adequate checklist of items: Zoning, legally permissible, financially viable, and negotiation tie-up with Corporate Legal Continuous improvement on the Business Development's systems processes and procedures. 	Site Acquisition
Project and Product Development/ Design: Actual over budget Timely delivery of the Product Quality Product Actual Product commensurate with the Marketed product	 Adequate planning, monitoring, execution (e.g. especially on securing permits and licenses). Adherence to International/Best Standards/Practices Continuous improvement on the Project and Product systems processes and procedures. 	Timely and Quality Project Delivery
 Pre-Sales Management: Timely deployment of Sales Agents Sales Support (Training, financial, actual deployment) Achieve targeted Sales 	 Adherence to Company's systems processes and procedures. Discovering and penetrating new markets (e.g. Locally and Internationally) Continuous improvement on the Pre-Sales systems processes and procedures. 	Generate/Produce Sales
Documents and Collections: Completeness and timely acquisition and availability (to client) of required documents Completeness and timely collection of payments	 Adherence to Company's systems processes and procedures. Adequate monitoring of documents and collections Adherence to International/Best Standards/Practices Continuous improvement on the Documents and Collections systems processes and procedures. 	Complete documents Timely collection of payments
Inventory Management: Monitoring of inventory per Project Timely holding and booking of Units	 Adherence to Company's systems processes and procedures. Adequate monitoring and updating of inventory data Continuous improvement on the Inventory systems processes and procedures. 	Generate/Produce Sales
 After-Sales Management: Complete and timely submission of required Notices (to Clients) Proper turn-over of Units Manage client complaints 	 Adherence to Company's systems processes and procedures. Adherence to International/Best Standards/Practices Continuous improvement on the After-Sales systems processes and procedures. 	Client Satisfaction
Supporting Functions: Inefficiencies and ineffectiveness in various supporting business processes	 Adherence to Company's systems processes and procedures. Adherence to International/Best Standards/Practices Continuous improvement on the Company's systems processes and procedures. 	Various business objectives relating to compliance, reporting and operations
 Inherent Risks: Significant down-turn of economy of certain targeted Markets Virus epidemic breakthrough Economic down-turn of the Philippines Natural Calamities and Environmental Issues 	 Adequate planning to ensure inherent risk is manage and minimize based on the risk appetite of the Company Timely monitoring of significant events which may affect the production of sales. Business continuity and flexibility to run operations to other targeted Markets 	Sustainability and Business Continuity



RISK MANAGEMENT SYSTEM

RISK POLICY

(c) Minority Shareholders

The Company recognizes that the most cogent proof of corporate governance is that which is visible to the eyes of its shareholders. Therefore, the provisions hereunder are issued for the guidance of all internal and external parties concerned, as governance covenant between the Company and all its shareholders.

- A. For the protection of shareholders and minority interests, the Board shall be committed to respect the following rights of the stockholders:
- (1) Voting Right
 - (a) Shareholders shall have the right to elect, remove and replace directors and vote on certain corporate acts, in accordance with the Corporation Code.
 - (b) Cumulative voting shall be used in the election of directors.
 - (c) A director shall not be removed without cause, if it will deny minority shareholders of representation in the Board.

(2) Pre-Emptive Right

All stockholders shall have pre-emptive rights, unless the same is denied in the Articles of Incorporation, or an amendment thereto, of the Company. All stockholders shall have the right to subscribe to the capital stock of the Company. The Articles of Incorporation shall lay down the specific rights and powers of the shareholders with respect to the particular shares they hold, all of which shall be protected by law so long as they shall not be in conflict with the Corporation Code.

(3) Power of Inspection

Subject to reasonable restrictions in accordance with the Corporation Code and jurisprudence, all shareholders shall be allowed to inspect the corporate books and records of the Company, including minutes of Board meetings and stock registries, and shall be furnished with annual reports, including financial statements, without cost.

(4) Right to Information

- (a) The shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers of the Company, and certain other matters such as the directors' and officers' holdings of the Company's shares, dealings with the Company, relationships among directors and key officers of the Company, and the aggregate compensation of the directors and officers.
- (b) The minority shareholders shall have the right to propose the holding of a stockholder's meeting, and the right to propose items in the agenda of the meeting, provided that the items in the agenda are for legitimate business purposes. Legitimate business purposes shall include information on matters under the immediately succeeding subsection.
- (c) The minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and should disclose to the shareholders.

5. Right to Dividends

- (a) All shareholders shall have the right to receive dividends, subject to the discretion of the Board.
- (b) The Company shall be compelled to declare dividends when its retained earnings shall be in excess of one hundred percent (100%) of its paid-in capital stock except in the following cases:
- (b.1) When justified by definite corporate expansion projects or programs approved by the Board, or
- (b.2) When the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured, or
- (b.3) When it can be clearly shown that such retention is necessary under special circumstances obtaining in the Company, such as when there is a need for a special reserve for probable contingencies.

6. Appraisal Right

The shareholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under Section 82 of the Corporation Code of the Philippines, under any of the following circumstances:

- (a) In case an amendment to the Articles of Incorporation of the Company has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respects superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- (b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and
- (c) In case of merger or consolidation.
- B. It shall be the duty of the Board to promote shareholder rights, remove impediments to exercise of shareholders' rights, and allow possibilities to seek redress for violation of their rights. The Board shall encourage the exercise of shareholders' voting rights and the solution of collective action problems through appropriate mechanisms. The Board shall pave the way for the electronic filing and distribution of shareholder information necessary to make informed decisions, subject to legal constraints.

All shareholders have one vote per share; so, minority shareholders voting power is not truncated.

RISK MANAGEMENT SYSTEM

CONTROL SYSTEM SET UP

(a) Company

RISK EXPOSURE	RISK MANAGEMENT POLICY (MONITORING AND MEASUREMENT PROCESS)	RISK MANAGEMENT AND CONTROL (STRUCTURES, PROCEDURES, ACTIONS TAKEN)
Business Development	Inability to meet the demands of the Market and requirements for expansion which may result to opportunity loss.	 Adequate checklist of items: Zoning, legally permissible, financially viable, and negotiation tie-up with Corporate Legal Continuous improvement on the Business Development's systems processes and procedures.
Project/Product development and design	Potential issues on the costs, schedules and actual product which may result to increase in expenses.	 Adequate planning, monitoring, execution (e.g. especially on securing permits and licenses). Adherence to International/Best Standards/Practices Continuous improvement on the Project and Product systems processes and procedures.
Pre-sales Management	Potential loss of production/sales which may result to negative netincome.	 Adherence to Company's systems processes and procedures. Discovering and penetrating new markets (e.g. Locally and Internationally) Continuous improvement on the Pre-Sales systems processes and procedures.
Documents and Collections	Potential issues on completeness and accuracy of documents and collection of payments	 Adherence to Company's systems processes and procedures. Adequate monitoring and updating of inventory data Continuous improvement on the Document and Collection's systems processes and procedures.
Inventory Management	Potential issues on the efficiency and effectiveness on the inventory of projects	 Adherence to Company's systems processes and procedures. Adequate monitoring and updating of inventory data Continuous improvement on the Inventory systems processes and procedures.
After-Sales Management	Potential issues on client satisfaction	 Adherence to Company's systems processes and procedures. Adequate monitoring and updating of inventory data Continuous improvement on the Inventory systems processes and procedures.
Supporting Functions	Potential issues on the efficiency and effectiveness of various business processes	 Adherence to Company's systems processes and procedures. Adequate monitoring and updating of inventory data Continuous improvement on the Inventory systems processes and procedures.

CONTROL SYSTEM SET UP

(b) Group

(b) Group		
RISK EXPOSURE	RISK MANAGEMENT POLICY (MONITORING AND MEASUREMENT PROCESS)	RISK MANAGEMENT AND CONTROL (STRUCTURES, PROCEDURES, ACTIONS TAKEN)
Business Development	Inability to meet the demands of the Market and requirements for expansion which may result to opportunity loss.	 Adequate checklist of items: Zoning, legally permissible, financially viable, and negotiation tie-up with Corporate Legal Continuous improvement on the Business Development's systems processes and procedures.
Project/Product development and design	Potential issues on the costs, schedules and actual product which may result to increase in expenses.	 Adequate planning, monitoring, execution (e.g. especially on securing permits and licenses). Adherence to International/Best Standards/Practices Continuous improvement on the Project and Product systems processes and procedures.
Pre-sales Management	Potential loss of production/sales which may result to negative netincome.	 Adherence to Company's systems processes and procedures. Discovering and penetrating new markets (e.g. Locally and Internationally) Continuous improvement on the Pre-Sales systems processes and procedures.
Documents and Collections	Potential issues on completeness and accuracy of documents and collection of payments	 Adherence to Company's systems processes and procedures. Adequate monitoring and updating of inventory data Continuous improvement on the Document and Collection's systems processes and procedures.
Inventory Management	Potential issues on the efficiency and effectiveness on the inventory of projects	 Adherence to Company's systems processes and procedures. Adequate monitoring and updating of inventory data Continuous improvement on the Inventory systems processes and procedures.
After-Sales Management	Potential issues on client satisfaction	 Adherence to Company's systems processes and procedures. Adequate monitoring and updating of inventory data Continuous improvement on the Inventory systems processes and procedures.
Supporting Functions	Potential issues on the efficiency and effectiveness of various business processes	 Adherence to Company's systems processes and procedures. Adequate monitoring and updating of inventory data Continuous improvement on the Inventory systems processes and procedures.

RISK MANAGEMENT SYSTEM

CONTROL SYSTEM SET UP

(c) Committee

COMMITTEE/UNIT	CONTROL MECHANISM	DETAILS OF ITS FUNCTIONS
Risk Management Committee	Oversight Control by assisting the Board of Directors	 Oversight function Formulate, review and endorse to the Board an ERM Policy (thru the help of the Risk Management Department) Review adequacy and effectiveness of Risk Management Processes (thru the help of the independent validation of Internal Audit Department)
Audit Committee	Financial Oversight Control by assisting the Board of Directors	Perform oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Company, and crisis management



INTERNAL AUDIT AND CONTROL

1) Internal Control System

"Internal control is a process, effected by the Company's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance."

- Geared to the achievement of objectives in one or more categories – operations, reporting and compliance
- A process consisting of ongoing tasks and activities a means to an end, not an end itself
- Effected by people not merely about policy and procedure manuals, systems, and forms, but about people and the actions they take at every level of an organization to affect internal control
- Able to provide reasonable assurance but not absolute assurance, to the Company's Board of Directors, Executive Committee and Senior Management
- Adaptable to the Company structure flexible in application for the Company or for a particular subsidiary, group, operating unit, or business process

"The Audit Committee assists the Board of Directors fulfill its responsibility for oversight of the Company's corporate governance processes. This entails an understanding of the risks, control and financial reporting issues inherent to the Company."

The Board is primarily accountable to the stockholders. It should provide them with a balanced and comprehensible assessment of the corporation's performance, position and prospects on a quarterly basis, including interim and other reports that could adversely affect its business, as well as reports to regulators that are required by law.

Thus, it is essential that Management provide all members of the Board with accurate and timely information that would enable the Board to comply with its responsibilities to the stockholders.

Management shall formulate, under the supervision of the Audit Committee, the rules and procedures on financial reporting and internal control in accordance with the following guidelines:

- (1) The extent of its responsibility in the preparation of the financial statements of the corporation, with the corresponding delineation of the responsibilities that pertain to the external auditor, should be clearly explained;
- (2) An effective system of internal control that will ensure the integrity of the financial reports and protection of the assets of the Company for the benefit of all stockholders and other stakeholders shall be maintained;
- (3) On the basis of the approved audit plans, internal audit examinations should cover, at the minimum, the evaluation of the adequacy and effectiveness of controls that cover the corporation's governance, operations and information systems, including the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, protection of assets, and compliance with contracts, laws, rules and regulations;
- (4) The Company shall consistently comply with the financial requirements of the Commission;
- (5) The external auditor should be rotated or changed every five (5) years or earlier, or the signing partner of the external auditing firm assigned to the Company, should be changed with the same frequency.

The Committee endeavors to conduct quarterly review for the ensuing year.

At least annually, the Audit Committee, to obtain management's assurance on the state of internal controls, risk management and corporate governance processes, the Committee relies on the expertise and knowledge of Management, the Internal Auditors and External (independent) Auditors.

INTERNAL AUDIT

Role, Scope and Internal Audit Function

ROLE	SCOPE	INDICATE WHETHER IN- HOUSE OR OUTSOURCE INTERNAL AUDIT FUNCTION	NAME OF CHIEF INTERNAL AUDITOR/ AUDITING FIRM	REPORTING PROCESS
To provide independent and objective assurance and consulting services to add value and improve the Company's operations, reporting and compliance.	To assist the Board of Directors thru the established Board Audit Committee on the assessment and evaluation of the adequacy and effectiveness of the Company's governance, risk management process and system of internal controls.	In-house Internal Audit	Edwin A. Aquino	 Directly reporting to the Board Audit Committee Administratively to the CEO/President or CFO (as the case maybe)

The Board Audit Committee Charter provides:

The Committee shall establish and identify the reporting lines of the CAE so that the reporting levels allow the IAD to fulfill its responsibilities and maintain its independence (e.g. IAD functionally and administratively reports to the Committee and President or CFO, respectively)."

Ensure that the Internal Auditors have free and full access to all Company's records, properties and personnel relevant to and required by its function and that the IAD shall be free from interference in determining its scope, performing its work and communicating its results.

Progress against Plans, Issues, Findings and Examination Trends

PROGRESS AGAINST PLANS	RISK MANAGEMENT AUDIT PLAN
Issues	 Varying execution of Management on the established policies and procedures Varying assumptions Management of sound internal controls/best practices Varying interpretations and implementation of Management on international standards.
Findings	Business Process Improvement (encompassing internal controls and risk management embedded within the Business process) Lack of formal policies and procedures
Examination Trends	Year to Year basis

The relationship among progress, plans, issues and findings should be viewed as an internal control review cycle which involves the following step-by-step activities:

- 1) Preparation of an audit plan inclusive of a timeline and milestones:
- 2) Conduct of examination based on the plan;
- 3) Evaluation of the progress in the implementation of the plan;
- 4) Documentation of issues and findings as a result of the examination;
- 5) Determination of the pervasive issues and findings ("examination trends") based on single year result and/or year-to-year results;
- 6) Conduct of the foregoing procedures on a regular basis.

INTERNAL AUDIT AND CONTROL

Audit Control Policies and Procedures

POLICIES & PROCEDURES

Various policies, procedures, memorandum and implementing guidelines on reporting, compliance and operations (w/c includes authorization, receipts and disbursements and safeguarding of assets).

Mechanisms and Safeguards

AUDITORS AUDITORS (INTERNAL AND EXTERNAL)	FINANCIAL ANALYSTS	INVESTMENT BANKS	RATING AGENCIES	REPORTING PROCESS
External Auditors directly reports to the Board Audit Committee	All requested information are provided with utmost care and honesty; the	All requested information are provided with utmost care and honesty; the	The Company undertook an ISO-QMS exercise last 2012 with Neville Clarke and is	Directly reporting to the Board Audit Committee
Internal Auditors directly reports to the Board Audit Committee and administratively to the President/CEO (as the case maybe)	Company does not interfere to influence the Analyst's conclusions	Company does not interfere to influence the Bank's conclusions	on-going with the process to achieve certification.	Administratively to the CEO/President or CFO (as the case maybe)

The Chairman and Compliance Officer of the Company shall attest to the Company's compliance with the SEC Code of Corporate Governance.

The Board of Directors, Management, Officers and employees of commit themselves to the principles and best practices of governance contained in our Manual of Corporate Governance as a guide in the attainment of its corporate goals. The Corporation shall make a continuing effort to create awareness of good corporate governance within the organization.

The Board of Directors is the supreme authority in matters of governance and managing the regular and ordinary business of the Corporation. Within their chartered authority, the directors acting as a board have the fullest powers to regulate the concerns of the Corporation according to their best judgment.



ROLE OF STAKEHOLDERS

Company's policy and activities relative to the following:

	POLICY	ACTIVITIES
Customers' welfare	Commit to producing high quality real estate that is of global quality	Sales Events
Supplier/contractor selection practice	Ability to deliver quality products in a timely manner	Major purchases are generally sent out for bids before decision making
Environmentally friendly value-chain	Adhere to best practices, timely and high-quality product services	CSR and sales activities
Community interaction	Involve local stakeholders where possible	CSR activities
Anti-corruption programmes and procedures	The company as a rule does not indulge in corrupt practices	The company as a rule does not indulge in corrupt practices
Safeguarding creditors' rights	Transparency in financial dealings	Meet financial & other covenants set by creditors

The CSR is part of the Company's annual report.

Company's policy for its employees' safety, health, and welfare

The company provides a broad competitive range of benefits in order to promote the health and general well-being of its employees. Besides the government mandated benefits, the company offers insurance and other above-industry standard benefits such as transportation allowance, communication allowances, bonuses and other incentives.

On top of the benefits provided for under government policies, the Company provides the following benefits to all its employees:

BENEFITS	EXECUTIVE DIRECTORS	MANAGEMENT	PROFESSIONALS (RANK & FILE) EMPLOYEES
HMO (under Maxicare)	Up to Php500,000 per sickness per year	Up to Php300,000 per sickness per year	Up to Php120,000 per sickness per year
Life Insurance (under Sun Life Insurance)	Php1,500,000.00 per officer	Php 750,000.00 per officer	Php 150,000.00 per officer

TRAINING PROGRAM	DEPARTMENT IN CHARGE FOR TRAINING	ATTENDEES
Job Orientation and On- boarding Seminar	Human Resources	All newly-hired employees
Code of Conduct and Ethics and updates	Human Resources / Legal	All Employees
Project Awareness Seminar	Human Resources	All sales and documentations employees
Sales Documentation	Legal	All sales and documentations employees
Titling Process Seminar	Title Management Group	All sales and documentations employees
Data Privacy Laws	Compliance	All Employees
Corporate Governance Training	Service Providers - Annually	All Directors and Senior Officers

The company's compensation policy is based on the firm's profitability. For rewards and adjustments in compensation, the company implements KPIs KRAs to facilitate the rate of adjustments based on performance

Our Company requires that we comfort ourselves in accordance with a high standard corporate conduct appropriate to our Company's standing in the corporate community.

It is the policy of the Company to promote discipline in the organization by taking corrective action as may be needed for the protection of all employees and clients, Company's properties and interests.

These rules were prepared to ensure fair and consistent treatment and constructive actions any employee who has made a mistake.

OBJECTIVES

- 1. To instill awareness on proper behavior, attitude, and conduct as employees of Century Properties Group, Inc.
- To serve as guidelines in handling disciplinary cases to ensure fair, consistent, and uniform imposition of disciplinary actions.

GENERAL POLICIES AND PROCEDURES

Procedures

- The Manager is responsible for reporting to HRD any offenses committed by th employee. No employee shall be excused from appropriate actions or penalties contained herein, on the reason of ignorance of the rules and regulations stated in this Code, as well as any revisions in the future.
- 2. Upon receipt of the report, HRD shall issue a memorandum indicating the nature of the charge to the employee concerned. The employee shall explain his side or defend himself in writing within 72 hours. Failure or refusal of the employee to comply within 72 hours shall be deemed as a waiver of his right to present evidence on his behalf. The company may then proceed to take on appropriate action/s without such employee's evidence.
- 3. Upon receipt of the employee's explanation, the HR Administrative & Discipline Committee shall conduct an impartial and thorough investigation. The HR Administrative & Discipline Committee shall be composed of representatives from HRD, Audit, Legal, Department Head/Manager, the employee's immediate superior. The HRD Head or his designate shall act as Chairperson of the Committee. For cases involving property and security, there shall be additional members representing Finance and Security.
- 4. A hearing of the case shall be scheduled within reasonable time from issuance of the memorandum.

- 5. During the hearing, the erring employee shall be given ample opportunity to answer the allegations against him, to confront any or all the witness, and to present evidence that may strengthen his explanations. The employee may avail of the assistance of any representative of his choice to defend him, if he so desires.
- 6. The HR Administrative & Discipline Committee shall document the proceedings and the document shall form part of the record case. After having ascertained all relevant facts of the case and evaluated the evidences presented, the Committee will submit its report to Management within 7 working days after conclusion of the investigation for final resolution.
- 7. All cases involving pilferage of Company property or gross dishonesty or misuse of office/position or other criminal offenses shall be under the jurisdiction of the HR Head or his designate in close coordination with Security and the erring employee's Head. The employee concerned shall be placed under preventive suspension immediately if warranted by the circumstances and if his continuous presence poses a serious and imminent threat to the life or property of the company or his co-employees.
 - 7.1 Preventive suspension shall be for 30-day but not more than 120 working days depending on the gravity of the offense.
 - 7.2 Upon service of the preventive suspension or suspension notices, the employee shall turn-over all tools and equipment to his immediate superior. The employee shall prepare himself an inventory of items turned over and duly confirmed by his immediate superior and the HR Head or his designate.
- 8. Suspended employees shall be prohibited from entering the Company premises during the period of suspension. In case of important/emergency matters which the employee must attend to inside the Company premises, a prior clearance must be secured from the HR Head or his designate concerned. Management reserves its rights to provide a Security escort, if necessary.
- 9. All documents/records pertaining to the case shall be included in the 201 file of the employee.

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DISCLOSURE AND TRANSPARENCY

Ownership Structure Holding 5% shareholding or more

	NUMBER OF SHARES	PERCENT	BENEFICIAL OWNER
Century Properties Inc	7,376,420,681	63.59%	CPI
NAME OF SENIOR MANAGEMENT	NUMBER OF DIRECT SHARES	NUMBER OF INDIRECT SHARES / THROUGH (NAME OF RECORD OWNER)	% OF CAPITAL STOCK
NA	NA	NA	NA
TOTAL			

External Auditor's fee

NAME OF AUDITOR	AUDIT FEE	NON-AUDIT FEE
SGV and Co.	Php 3,600,000.00 inclusive of VAT	N.A.

Medium of Communication

The investing public can reach us through our Investor Relations department for information and assistance.

- Annual Briefings and One-on-one Meetings, as needed
- Property Tours and Site Visits
- Roadshows and Conferences
- Media Briefings

The Board commits at all times to full disclosure of materials information dealings. It shall cause the filings of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the Commission for the interest of its stockholders and other stakeholders.

Date of release of 2018 audited financial report: Audited Financial Statement – March 21, 2019 Disclosure of RPT

The Company 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 agreement.

DUE FROM RELATED PARTIES	2018	2017	AMOUNT OF TRANSACTION	TERMS AND CONDITIONS
Ultimate Parent	161,480,105	235,324,180	(73,844,075)	Noninterest bearing, due an demandable, unsecured, no impairment
Stockholders	160,320,970	153,076,337	7,244,633	
	394,354,508	491,245,948		
DUE TO RELATED PARTIES	2018	2017	AMOUNT OF TRANSACTION	TERMS AND CONDITIONS
Ultimate Parent	37,070,486	-	(73,844,075)	Noninterest bearing, due ar demandable, unsecured
Stockholders	19,175,305	19,175,305	-	
Other affiliates	42,329,407	28,995,726	13,333,681	
	98,575,198	48,171,031		

The effects of the related party transactions are shown under the following accounts in the consolidated financial statements:

All related party transactions are fully disclosed to the Board of Directors and are done in the regular course of business and conducted on an arm's length basis, negotiated based on prevailing competitive commercial terms. None of the Company's shareholders are granted special privileges or concessions.

RIGHTS OF STOCKHOLDERS

Right to participate effectively in and vote in Annual/ Special Stockholders' Meetings

(a) Quorum

Quorum Required	2/3 total shareholdings present/ majority of capital stock present

(b) System Used to Approve Corporate Acts

System Used	By Poll. Notice is given to all stockholders; Presentation of corporate acts; Discussion through question and answer.
Description	Stockholders shall vote by ballot and each stockholder is entitled to cast votes in accordance with the number of shares he owns. One share is equivalent to one vote. Stockholders are apprised of corporate acts requiring stockholders approval in the notice and agenda of meeting and information statement;
	During the meeting itself, proposed corporate acts on which stockholder approval is sought are presented and explained to the stockholders, and questions/comments are solicited, received and entertained.

Stockholders' Rights

All Stockholders' Rights are consistent with what is indicated in the Corporation Code.

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.

Below is the summary of CPGI's dividend declaration for fiscal year 2015 until 2018.

Cash Dividends

FISCAL YEAR	TOTAL AMOUNT OF DIVIDENDS	AMOUNT OF DIVIDENDS PER SHARE	DATE OF DECLARATION	DATE OF PAYMENT
2014	201,158,909	0.0173	June 15, 2015	July 16, 2015
2015	205,022,943	0.0177	June 22, 2016	July 20, 2016
2016	205,065,834	0.0177	May 22, 2017	June 19, 2017
2017	200,000,000	0.0172	June 8, 2018	July 6, 2018

CPGI intends to maintain an annual cash dividend payment ratio for the issued and outstanding common shares of the Company of approximately 10% of its consolidated net income from the preceding fiscal year, subject to the requirements of applicable laws and regulations, availability of unrestricted retained earnings and the absence of circumstances which may restrict the payment of such dividends.

Dividends

DECLARATION DATE	RECORD DATE	PAYMENT DATE
April 13, 2012 Cash Dividends	April 27, 2012	May 24, 2012
April 15, 2013 Cash Dividends	April 29, 2013	May 16, 2013
April 30, 2014 Cash Dividends	May 15, 2014	June 05, 2014
October 13, 2014 Stock Dividends	October 27, 2014	November 14, 2014
June 15, 2015 Cash Dividends	July 3, 2015	July 16, 2015
June 22, 2016 Regular & Special Cash Dividends	July 8, 2016	July 22, 2016
May 22, 2017 Regular & Special Cash Dividends	June 2, 2017	June 19, 2017
June 8, 2018 Regular & Special Cash Dividends	June 26, 2018	July 6, 2018

Stockholders' Participation

MEASURES ADOPTED Open Forum	COMMUNICATION PROCEDURE Via Question and Answer
Motion to second	Stockholders are given the right to move the motion and a corresponding second of the motion

Company policy of asking shareholders to actively participate in corporate decisions regarding:

- a. Amendments to the company's constitution
 The stockholders, by the affirmative vote of a majority of
 the stocks issued, outstanding and entitled to vote, may
 make, alter or amend these By-Laws at any regular meeting
 or any special meeting called for that purpose as well as
 the majority of the members of the Board also in a meeting
 duly called for that purpose.
- b. Authorization of additional shares

 The stockholders, by the affirmative vote of a majority of
 the stocks issued, outstanding and entitled to vote, may
 authorize additional shares at a regular or special meeting
 called for that purpose as well as the majority of the
 members of the Board also in a meeting duly called for that
 purpose.

c. Transfer of all or substantially all assets, which in effect results in the sale of the company

The stockholders, by the affirmative vote of a majority of the stocks issued, outstanding and entitled to vote, may authorize the transfer of all or substantially all assets of the Company at a regular or special meeting called for that purpose as well as the majority of the members of the Board also in a meeting duly called for that purpose.

The Company sends out notices to the AGM at least 21 business days prior to the scheduled meeting.

- a. Date of sending out notices: May 4, 2018
- b. Date of the Annual/Special Stockholders' Meeting: June 14, 2018

There was no material question in relation to the Meeting Agenda that was noted during the last Annual Stockholder's Meeting.

RIGHTS OF STOCKHOLDERS

Result of Annual/Special Stockholders' and Meeting's Resolutions last June 14, 2018

RESOLUTION	APPROVING	DISSENTING	ABSTAINING
Approval of Management report for 2017	8,847,227,934 shares or 76.27% of the shares from outstanding capital stock	None	None
Approval of minutes of meeting for Annual stockholders June 22, 2016	8,847,227,934 shares or 76.27% of the shares from outstanding capital stock	None	None
Confirmation of all acts of the board	8,847,227,934 shares or 76.27% of the shares from outstanding capital stock	None	None
Election of Directors	8,847,227,934 shares or 76.27% of the shares from outstanding capital stock	None	66,923,226 or 0.58% of the shares from outstanding capital stock
Appointment of external auditors	8,847,227,934 shares or 76.27% of the shares from outstanding capital stock	None	None

The results of voting during the most recent AGM were disclosed in the Minutes which have been disclosed before the PSE last June 14, 2018

Details of Attendance in the Annual/Special Stockholders' Meeting Held:

TYPE OF MEETING	NAMES OF BOARD MEMBERS / OFFICERS PRESENT	DATE OF MEETING	VOTING PROCEDURE (BY POLL, SHOW OF HANDS, ETC.)	% OF SH ATTENDING IN PERSON	% OF SH IN PROXY	TOTAL % OF SH ATTENDANCE
Annual	Jose EB Antonio; Jose Marco R. Antonio; Jose Carlo R. Antonio; Jose Roberto R. Antonio; Ricardo Cuerva; Rafael G. Yaptinchay; Carlos Benedict K. Rivilla; Atty. Camille Aromas, Stephen T. CuUnjieng, Carlos C. Ejercito, Jose L. Cuisia, Jr.	June 14, 2018	Motion and seconding; solicitation of objections	.0002%	76.27%	76.27%

For the incoming ASM, we have appointed BDO Securioties to tabulate and validate the votes.

One Common Share is equivalent to One Vote.

Proxy Voting Policies

	COMPANY'S POLICIES
Execution and acceptance of proxies	Conform with by laws
Notary	Proxies not required
Submission of Proxy	Should be to the corporate secretary on or before the deadline set, as disclosed in the Notice
Several Proxies	Allowed upon confirmation by the Corporate Secretary
Validity of Proxy	Validated by the Corporate Secretary
Proxies executed abroad	Must be consularized in the place where executed
Invalidated Proxy	Vote/s not considered
Validation of Proxy	Conducted by the Corporate Secretary
Violation of Proxy	Vote/s not considered

Sending of Notices

POLICIES	PROCEDURE
Send notices at least 21 days prior to meeting	Notices are sent by post to the last known postal address. Notice is also disclosed before the PSE

Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners State whether CD format or hard copies were distributed CD Format are sent by post and Hard copies are made available during the meeting itself, and sent to requesting shareholders If yes, indicate whether requesting stockholders were provided hard copies		
and Management Report and Other Materials held by market participants/certain beneficial owners Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders State whether CD format or hard copies were distributed CD Format are sent by post and Hard copies are made available during the meeting itself, and sent to requesting shareholders If yes, indicate whether requesting stockholders were Yes.	Information Statements and Management Report and Other	
and Management Report and Other Materials held by stockholders State whether CD format or hard copies were distributed CD Format are sent by post and Hard copies are made available during the meeting itself, and sent to requesting shareholders If yes, indicate whether requesting stockholders were Yes.	and Management Report and Other Materials held by market	At least 15 days prior to AGM
copies are made available during the meeting itself, and sent to requesting shareholders If yes, indicate whether requesting stockholders were Yes.	and Management Report and Other Materials held by	At least 15 days prior to AGM
, ,	State whether CD format or hard copies were distributed	copies are made available during the meeting itself, and sent to requesting
	, ,	Yes.

RIGHTS OF STOCKHOLDERS

Notice of Annual/Special Stockholders' Meeting include the following:

Each resolution to be taken up deals with only one item.	Yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	Yes
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	Yes
The amount payable for final dividends.	Yes
Documents required for proxy vote.	Yes

Treatment of Minority Stockholders

POLICIES	IMPLEMENTATION
Recognizes rights of the minority to influence Board composition by cumulative voting	Notice of meeting/Information Statement expressly states set of procedures for cumulative voting
Equal treatment of shareholders holding same class of shares	One share one vote

Under the Company's Articles of Incorporation, the minority stockholders have the right to nominate candidates for the board of directors.

INVESTORS RELATIONS PROGRAM

The company uses email as the primary medium for all internal communication. Emails are directed only to the concerned and specific recipients, no dissemination to external addresses. All corporate records, customer data, personnel resources and legal and business records and documents are considered as classified information which the employees are prohibited from disseminating, unless in the ordinary course of the company's business or where approval from Department Heads are secured.

All press releases, official media statements and public disclosures are approved and authorized by the Executive Committee. The Company's internal and external communication processes and policies are reviewed by the Human Resources Department, IT Department and Risk Management.

	DETAILS
(1) Objectives	The Company implements an Investor Relations Program that reaches out to all shareholders and fully discloses all corporate material acts and activities. The IR Officers is committed to effectively, accurate and timely communicate to the investing public relevant corporate information with the objective of assisting investors in making appropriate investment decisions.
(2) Principles	The Company upholds transparency and is committed to the highest standards of disclosure. The information disseminated to the investing public are accurate and timely. All corporate acts material and may have an impact on the company's financial and stock price valuation are properly disclosed and supported by proper reports.
(3) Modes of Communications	 Annual Briefings and One-on-one Meetings, as needed Property Tours and Site Visits Roadshows and Conferences Media Briefings
(4) Investors Relations Officer	Mr. Ponciano S. Carreon Investor Relations Head Direct Line: (632) 7938928 / (632) 7938905 Mobile: +63918-8077320 Email: ponciano.carreon@century-properties.com





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, 2018 and 2017, 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 E.B. Antonio

Chairman of the Board, President and CEO

Ponciano S. Carrean Chief Financial Officer

John Paul C. Flores VP Compttoller

Signed this 18th day of March, 2019

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SUBCRIBED AND SWORN to before me this _____day of ____ day of ____ affiants exhibiting to me his / their Tax Identification Numbers, as follows :

Jose E.B. Antonio

TIN 110-083-819

Ponciano S. Carreon, Jr.

TIN 180-091-161

John Paul C. Flores

TIN 234-787-038

Doc. No. 25

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Book No. XI

Series of 2019

DINDIN A. CRUZ

Appointment No. M-415 Notary Public for Makati City Until December 31, 2019

19F Pacific Star Building, Sen. Gil Puyat Cor. Makati Ave., Makati City MCLE Compliance No. VI-0008370/05-03-2018

PTR No. 7333440/1-3-2019/Makati IBP No. 057883/12-27/2018/Makati



SyCip Gorres Velayo & Co. Tel: (632) 891 0307 BOA/PRC Reg. No. 0001, 1226 Makati City

Fax: (632) 819 0872 ev.com/ph

October 4, 2018, valid until August 24, 2021 SEC Accreditation No. 0012-FR-5 (Group A),

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors Century Properties Group Inc.

Report on the Audit of the Consolidated Financial Statements

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, 2018 and 2017, 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, 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2018 and 2017, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2018 in accordance with Philippine Financial Reporting Standards (PFRSs).

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.

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.



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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.

Adoption of PFRS 15, Revenue from Contracts with Customers

Effective January 1, 2018, the Group adopted the new revenue recognition standard, PFRS 15, Revenue from Contracts with Customers, under the modified retrospective approach. The adoption of PFRS 15 is significant to our audit because this involves application of significant judgment and estimation in the following areas: (1) assessment of the probability that the entity will collect the consideration from the buyer; (2) application of the output method as the measure of progress in determining real estate sales; (3) determination of the actual costs incurred as cost of real estate sales; and (4) recognition of cost 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 also regularly evaluates the history of sales cancellations and back-outs to determine if these would affect its current threshold of 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 the management 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 which have not yet been billed by the contractor.

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 recognizes the related liability. The Group uses percentage of completion (POC) method in amortizing sales commission consistent with the Group's revenue recognition policy.

The disclosures related to the adoption and application of PFRS 15 are included in Notes 2, 3, 14 and 31 of the consolidated financial statements.

Audit Response

We obtained an understanding of the Group's process in implementing the new revenue recognition standard. We reviewed the PFRS 15 adoption papers and accounting policies prepared by management, including revenue streams identification and scoping, and contract analysis.

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



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In determining real estate sales and cost of real estate sales, we obtained an understanding of the Group's processes for determining the POC under the output method and tested relevant controls. We obtained the certified POC reports prepared by the third party project managers and assessed their competence, capabilities and objectivity by referencing to their qualifications, experience and reporting responsibilities. For selected ongoing projects, we conducted ocular inspections, made relevant inquiries and obtained the supporting details of POC reports showing the completion of the project construction's major activities. For projects with revisions in cost estimates in 2018, we obtained the approved total estimated costs and its supporting details.

For real estate inventories and 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 contracts, 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 against the portion recognized in the profit or loss. In particular, (a) the percentage of commission due against contracts with sales agents; (b) the total commissionable amount against the related contract to sell; and (c) its POC against the POC used in recognizing the related real estate sales.

We test computed the transition adjustments and evaluated the disclosures made in the consolidated financial statements related to adoption of PFRS 15.

Adoption of PFRS 9, Financial Instruments

On January 1, 2018, the Group adopted PFRS 9, Financial Instruments. PFRS 9, which replaced PAS 39, Financial Instruments: Recognition and Measurement, provides revised principles for classifying financial assets and introduces a forward-looking expected credit loss model to assess impairment on debt financial assets not measured at fair value through profit or loss and loan commitments and financial guarantee contracts. The Group adopted PFRS 9 using modified retrospective approach.

The Group's adoption of the expected credit loss (ECL) model is significant to our audit as it involves the exercise of significant management judgment. Key areas of judgment include: segmenting the Group's credit risk exposures; determining the method to estimate lifetime ECL; defining what comprises default; determining assumptions to be used in the ECL model such as the expected life of the significant financial assets such as cash and cash equivalents, installment contract receivables, receivables from employees and agents, due from related parties, among others and nonfinancial assets such as contract assets and timing and amount of expected net recoveries from defaulted accounts; and incorporating forward-looking information in calculating ECL.

Refer to Notes 2 and 3 of the consolidated financial statements for the disclosures in relation to the adoption and application of the PFRS 9 ECL model.

Audit Response

We obtained an understanding of the approved methodologies and models used for the Group's different credit exposures and assessed whether these considered the requirements of PFRS 9 to reflect an unbiased and probability-weighted outcome, the time value of money and, the best available forward-looking information.



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We (a) assessed the Group's segmentation of its credit risk exposures based on homogeneity of credit risk characteristics; (b) checked the methodology used in applying the simplified approach by evaluating the key inputs, assumptions, and formulas used; (c) tested the definition of default against historical analysis of accounts and credit risk management policies and practices in place, (d) tested loss given default by inspecting historical recoveries including the timing, related direct costs, and write-offs; (e) checked the forward-looking information used for overlay through statistical test and corroboration using publicly available information and our understanding of the Group's lending portfolios and broader industry knowledge; and (f) tested the effective interest rate, or an approximation thereof, used in discounting the expected loss.

Further, we checked the data used in the ECL models, such as the historical analysis of defaults, and recovery data, by reconciling data from source system reports to the data warehouse and from the data warehouse to the loss allowance analysis/models and financial reporting systems. To the extent that the loss allowance analysis is based on credit exposures that have been disaggregated into subsets with similar risk characteristics, we traced or re-performed the disaggregation from source systems to the loss allowance analysis. We also assessed the assumptions used where there are missing or insufficient data. We recalculated impairment provisions on a sample basis. We checked the transition adjustments and reviewed the disclosures made in the consolidated financial statements based on the requirements of PFRS 9.

We involved our internal specialists in the performance of the above procedures.

Valuation of Investment Properties at Fair Value

The Group has investment properties which are accounted for using the fair value model and represent 23% of consolidated total assets as of December 31, 2018. Fair value gains relating to those properties amounted to \$\mathbb{P}376.90\$ million in 2018. As disclosed in Note 10 of the consolidated financial statements, determining the fair value of investment properties involves significant management judgment and estimations. It is also based on appraisal reports prepared by an external appraiser. The valuation by the external appraiser depends on certain assumptions such as market rent levels, expected vacancy, discount rates and expected maintenance as well as sales and listings of comparable properties and adjustments to sales price based on internal and external factors. Thus, we considered this as a key audit matter.

Audit Response

We evaluated the competence, capabilities and objectivity of the external appraiser. We involved our internal specialist in the review of the methodology and assumptions used in the valuation of the investment properties. We assessed and reviewed the methodology adopted by referencing common valuation models, and reviewed the key inputs used in the valuation, specifically the discount rate applied, market rent levels, expected vacancy, interest rates and expected maintenance. We also checked the relevant information supporting the sales and listings of comparable properties and inquired from the external appraiser the basis of adjustments made to the sales price. 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, 2018, 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



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Annual Report for the year ended December 31, 2018 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, 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.



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- 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.
- 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.



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The engagement partner on the audit resulting in this independent auditor's report is John T. Villa.

SYCIP GORRES VELAYO & CO.

John T. Villa

Partner

CPA Certificate No. 94065

SEC Accreditation No. 1729-A (Group A),

December 18, 2018, valid until December 17, 2021

Tax Identification No. 901-617-005

BIR Accreditation No. 08-001998-76-2018,

February 26, 2018, valid until February 25, 2021

PTR No. 7332628, January 3, 2019, Makati City

March 18, 2019



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

	December 31			
		2017		
		(As restated -		
	2018	see Note 2)		
ASSETS				
Current Assets				
Cash and cash equivalents (Note 4)	₽1,950,389,193	₽1,400,358,850		
Receivables (Note 5)	2,047,127,253	7,541,265,718		
Contract assets (Notes 2, 5 and 14)	6,827,207,071	_		
Real estate inventories (Note 6)	17,257,481,436	15,845,868,208		
Due from related parties (Note 15)	394,354,508	491,245,948		
Advances to suppliers and contractors (Notes 7 and 15)	2,236,124,707	1,963,978,130		
Other current assets (Note 12)	1,284,425,939	1,008,973,064		
Total Current Assets	31,997,110,107	28,251,689,918		
Noncurrent Assets				
Noncurrent contract assets (Notes 2, 5 and 14)	1,894,555,056	_		
Noncurrent portion of installment contracts receivable (Note 5)		2,442,243,070		
Deposits for purchased land (Note 8)	1,189,477,058	1,369,569,806		
Investments in and advances to joint ventures and associate (Note 9)	247,584,285	235,153,705		
Investment properties (Note 10)	11,381,637,756	7,759,560,458		
Property and equipment (Note 11)	1,273,790,837	1,068,560,030		
Deferred tax assets (Note 26)	61,929,417	103,988,756		
Other noncurrent assets (Note 12)	1,320,598,313	1,324,884,878		
Total Noncurrent Assets	17,369,572,722	14,303,960,703		
TOTAL ASSETS	₽49,366,682,829	₽42,555,650,621		
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables (Note 13)	₽ 4,989,664,627	₱3,832,132,843		
Contract liabilities (Notes 2 and 14)	2,294,326,736	_		
Customers' deposits (Note 14)	_	2,758,601,607		
Short-term debt (Note 16)	2,206,610,954	1,415,894,637		
Current portion of:				
Long-term debt (Note 16)	5,389,150,881	3,099,349,179		
Liability from purchased land (Note 18)	67,200,000	67,200,000		
Due to related parties (Note 15)	98,575,198	48,171,031		
Income tax payable	4,708,076	3,230,756		
Total Current Liabilities	15,050,236,472	11,224,580,053		
Noncurrent Liabilities				
Noncurrent portion of long-term debt (Note 16)	11,645,097,504	10,083,496,246		
Bonds payable (Note 17)	1,505,894,698	1,500,966,910		
Noncurrent portion of liability from purchased land (Note 18)	301,568,733	381,041,742		
Pension liabilities (Note 25)	251,101,428	235,467,111		
Deferred tax liabilities (Note 26)	2,524,519,956	2,451,358,064		
Other noncurrent liabilities (Note 31)	624,797,479	423,119,032		
Total Noncurrent Liabilities	16,852,979,798	15,075,449,105		
Total Liabilities	31,903,216,270	26,300,029,158		

(Forward)



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	I	December 31
	2018	2017 (As restated - see Note 2)
Equity (Note 19)		
Capital stock - ₱0.53 par value Authorized - 18,000,000,000 shares		
Issued - 11,699,723,690 shares	₽6,200,853,553	₽6,200,853,553
Additional paid-in capital	2,639,742,141	2,639,742,141
Treasury shares - 100,123,000 shares	(109,674,749)	(109,674,749)
Other components of equity	99,231,014	99,153,681
Retained earnings	7,590,086,701	6,922,976,884
Remeasurement loss on defined benefit plan	(66,042,430)	(34,579,987)
Total Equity Attributable to Equity Holders		· .
of the Parent Company	16,354,196,230	15,718,471,523
Non-controlling interest (Note 19)	1,109,270,329	537,149,940
Total Equity	17,463,466,559	16,255,621,463
TOTAL LIABILITIES AND EQUITY	₽49,366,682,829	₽42,555,650,621

See accompanying Notes to Consolidated Financial Statements.



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

2018	2017	2016	
₽9,576,668,266	₽5,345,938,210	₱4,968,448,221	
, , ,		337,853,830	
395,460,217	352,971,958	302,096,900	
322,482,606	665,202,951	656,152,907	
10,701,878,291	6,705,771,898	6,264,551,858	
5,655,403,635	2,806,481,000	2,901,250,587	
227,747,720	237,813,561	266,766,649	
276,552,505	270,726,596	237,706,828	
6,159,703,860	3,315,021,157	3,405,724,064	
4,542,174,431	3,390,750,741	2,858,827,794	
3,254,526,410	2,964,062,656	2,619,824,830	
568,656,249	801,077,513	767,406,920	
376,898,561	286,028,260	348,260,010	
115 701 061	(35.614.007)	(108,370,111	
113,791,901	(33,014,007)	(100,570,111	
12.430.580	_	_	
	(403 480 265)	(190,094,777	
. , , ,		(77,218,787	
334,308,859	594,161,501	739,983,255	
1,621,956,880	1,020,849,586	978,986,219	
503,770,261	370,924,446	252,054,222	
		726,931,997	
1,110,100,01>	0.5,525,1.0	,20,,51,,,,	
(31 462 443)	26 306 821	190,132	
(31,402,443)	20,300,021	170,132	
77,333	(367,097)	(64,808	
₽ 1,086,801,509	₽675,864,864	₽727,057,321	
₽985 915 365	₽630 312 075	₽726,931,997	
	, ,	1 720,731,777	
₱1,118,186,619	₽649,925,140	₽726,931,997	
₽954,530,255	₽656 251 799	₽727,057,321	
		1721,031,321	
₽1,086,801,509	₽675,864,864	₽727,057,321	
		₽0.063	
£0.005	£0.034	PU.003	
	P9,576,668,266 407,267,202 395,460,217 322,482,606 10,701,878,291 5,655,403,635 227,747,720 276,552,505 6,159,703,860 4,542,174,431 3,254,526,410 568,656,249 376,898,561 115,791,961 12,430,580 (594,275,763) (145,192,729) 334,308,859 1,621,956,880 503,770,261 1,118,186,619 (31,462,443) 77,333 P1,086,801,509 P985,915,365 132,271,254 P1,118,186,619	₱9,576,668,266 ₱5,345,938,210 407,267,202 341,658,779 395,460,217 352,971,958 322,482,606 665,202,951 10,701,878,291 6,705,771,898 5,655,403,635 2,806,481,000 227,747,720 237,813,561 276,552,505 270,726,596 6,159,703,860 3,315,021,157 4,542,174,431 3,390,750,741 3,254,526,410 2,964,062,656 568,656,249 801,077,513 376,898,561 286,028,260 115,791,961 (35,614,007) 12,430,580 — (594,275,763) (403,480,265) (145,192,729) (53,850,000) 334,308,859 594,161,501 1,621,956,880 1,020,849,586 503,770,261 370,924,446 1,118,186,619 ₱649,925,140 ₱1,086,801,509 ₱675,864,864 ₱1,086,801,509 ₱675,864,864 ₱1,086,801,509 ₱675,864,864	

See accompanying Notes to Consolidated Financial Statements.



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CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016

Total Equity Attributable to Equity Holders of the Parent Company									
		Additional		Other		Remeasurement			
	Capital	Paid-in	Treasury	Components	Retained	Loss on Defined		Non-controlling	
-	Stock	Capital	Shares	of Equity	Earnings	Benefit Plan	Total	Interest	Total
At January 1, 2018, as previously reported	₽6,200,853,553	₽2,639,742,141	(P109,674,749)	₽99,153,681	₽6,922,976,884	(₱34,579,987)	₽15,718,471,523	₽537,149,940	₽16,255,621,463
Effect of adoption of new accounting									
standards (Note 2)			_		(118,805,549)		(118,805,549)	18,508,083	(100,297,466)
At January 1, 2018, as restated	6,200,853,553	2,639,742,141	(109,674,749)	99,153,681	6,804,171,335	(34,579,987)	15,599,665,974	555,658,023	16,155,323,997
Net income	-	-	-	-	985,915,365	-	985,915,365	132,271,254	1,118,186,619
Cash dividends (Note 19)	-	-	-	-	(199,999,999)	-	(199,999,999)	-	(199,999,999)
Investment from non-controlling interest									
(Note 19)	-	-	-	-	-	-	-	421,341,052	421,341,052
Others (Note 25)	_	_	-	77,333	_	(31,462,443)	(31,385,110)	_	(31,385,110)
At December 31, 2018	₽6,200,853,553	₽2,639,742,141	(P109,674,749)	₽99,231,014	₽7,590,086,701	(P66,042,430)	₽16,354,196,230	₽1,109,270,329	P17,463,466,559
At January 1, 2017	P6,200,853,553	P2,639,742,141	(P109,674,749)	P58,869,696	P6,497,730,643	(P60,886,808)	P15,226,634,476	₱119,785,810	P15,346,420,286
Net income	-	-	-	-	630,312,075	-	630,312,075	19,613,065	649,925,140
Cash dividends (Note 19)	-	-	-	-	(205,065,834)	-	(205,065,834)	-	(205,065,834)
Investment from non-controlling interest									
(Note 19)	-	-	-	40,651,082	-	-	40,651,082	397,751,065	438,402,147
Others	_		_	(367,097)	_	26,306,821	25,939,724	_	25,939,724
At December 31, 2017	P6,200,853,553	P2,639,742,141	(P109,674,749)	P99,153,681	P6,922,976,884	(P34,579,987)	P15,718,471,523	P537,149,940	P16,255,621,463
At January 1, 2016	P6,200,853,553	P2,639,742,141	(P109,674,749)	(P11,795,550)	P5,975,821,590	(P61,076,940)	P14,633,870,045	P-	P14,633,870,045
Net income	_				726,931,997	-	726,931,997	_	726,931,997
Cash dividends (Note 19)	_	_	_	_	(205,022,944)	_	(205,022,944)	_	(205,022,944)
Investment from non-controlling interest									
(Note 19)	_	_	_	70,730,054	_	_	70,730,054	119,785,810	190,515,864
Others	_	-	-	(64,808)	-	190,132	125,324	_	125,324
At December 31, 2016	P6,200,853,553	P2,639,742,141	(P109,674,749)	P58,869,696	P6,497,730,643	(P60,886,808)	P15,226,634,476	P119,785,810	P15,346,420,286



CENTURY PROPERTIES GROUP INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years	s Ended December 3	
		2017	2016
		(As restated -	(As restated -
	2018	see Note 2)	see Note 2)
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₽1,621,956,880	₱1,020,849,586	₽978,986,219
Adjustments for:	,, ,, ,,,,,,	,, ,	, ,
Interest and other financing charges (Note 24)	594,275,763	403,480,265	190,094,777
Unrealized foreign exchange losses (Note 16)	145,192,729	53,850,000	77,218,787
Depreciation and amortization (Notes 11, 12 and 20)	37,854,976	33,242,675	28,632,248
Retirement expense (Note 25)	35,599,727	37,751,907	38,110,644
Interest income (Notes 5 and 23)	(385,108,364)	(712,443,530)	(698,788,633)
Gain from change in fair value of investment		, , ,	, , , ,
properties (Note 10)	(376,898,561)	(286,028,260)	(348,260,010)
Unrealized loss (gain) from change in fair value of	(, , , ,	, , , ,
derivatives (Note 12)	(115,791,961)	35,614,007	108,370,111
Gain on sale of investment property (Notes 10 and 23)	(12,941,360)	_	_
Share in net earnings of joint ventures and			
associate (Note 9)	(12,430,580)	_	_
Provision for impairment losses on receivables (Note 5)		9,864	_
Operating income before working capital changes	1,531,709,249	586,326,514	374,364,143
Decrease (increase) in:			
Receivables	(2,213,568,278)	1,839,323,458	2,207,945,192
Contract assets	1,750,670,292		
Real estate inventories	(1,578,749,310)	(1,074,982,095)	(1,573,944,250)
Advances to suppliers and contractors	(272,146,577)	27,851,082	(777,469,210)
Other assets	(159,280,029)	(196,768,798)	165,492,398
Increase (decrease) in:		, , , ,	
Liability from purchased land	(79,473,009)	(72,802,321)	(119,367,773)
Accounts and other payables	1,157,531,784	(221,552,495)	822,398,899
Contract liabilities	(464,274,871)		_
Customers' deposits		398,242,052	306,460,671
Net cash provided by (used in) operations	(327,580,749)	1,285,637,397	1,405,880,070
Interest received (Notes 4 and 23)	62,625,758	47,240,579	42,635,726
Interest and other financing costs paid	(1,541,894,515)	(1,082,005,958)	(956,980,604)
Income taxes paid	(319,165,692)	(432,721,940)	(522,212,008)
Retirement benefits paid (Note 25)	(29,499,275)	(1,748,518)	(1,630,875)
Net cash used in operating activities	(2,155,514,473)	(183,598,440)	(32,307,691)
CASH FLOWS FROM INVESTING ACTIVITIES	0.6 004 440	41.022.252	(455.500)
Decrease in due from related parties	96,891,440	41,832,372	(475,523)
Proceeds from sale of investment properties (Note 10)	179,598,017	-	-
Proceeds from disposal of property and equipment	2,070,400	163,303	1,980,221
Additions to:		/ 100 TOO 1 TO	(200 (01 - : - :
Deposits for purchased land (Note 8)	(342,167,634)	(423,539,188)	(288,684,213)
Investment properties (Note 10)	(1,981,590,313)	(1,236,009,408)	(252,172,683)
Property and equipment (Note 11)	(232,121,247)	(614,258,721)	(170,215,881)
Investments in and advances to joint ventures		(1,044,000)	(6,955,900)
Net cash used in investing activities	(2,277,319,337)	(2,232,855,642)	(716,523,979)

(Forward)



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	Years Ended December 31			
		2017	2016	
		(As restated -	(As restated -	
	2018	see Note 2)	see Note 2)	
CASH FLOWS FROM FINANCING ACTIVITIES				
Availment of short-term and long-term debt (Note 16)	₽11,359,147,970	₽6,692,140,393	₱10,083,480,368	
Additional investment from non-controlling	, , ,	, , ,	, , ,	
interest (Note 19)	421,341,052	438,402,146	190,515,864	
Proceeds from deposits for preferred shares (Note 31)	201,678,447	196,590,150	158,012,121	
Repayments of bonds payable (Note 17)	_	(1,187,360,000)	_	
Repayments of short-term and long-term debt (Note 16)	(6,814,295,001)	(5,183,131,809)	(8,303,192,199)	
Payments of cash dividends (Note 19)	(199,999,999)	(205,065,834)	(205,022,944)	
Decrease in due to related parties	14,991,684	(277,834,457)	159,785,681	
Net cash provided by financing activities	4,982,864,153	473,740,589	2,083,578,891	
NET INCREASE (DECREASE) IN CASH AND				
CASH EQUIVALENTS	550,030,343	(1,942,713,493)	1,334,747,221	
CASH AND CASH EQUIVALENTS AT BEGINNING				
OF YEAR (Note 4)	1,400,358,850	3,343,072,343	2,008,325,122	
CASH AND CASH EQUIVALENTS AT END OF				
YEAR (Note 4)	₽1,950,389,193	₽1,400,358,850	₽3,343,072,343	

See accompanying Notes to Consolidated Financial Statements.



