

TRUST INDENTURE AGREEMENT

This **Trust Indenture Agreement** (the “Trust Indenture”) made and executed this 8th day of February 2022 by and between:

- (1) **Century Properties Group Inc.**, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at 21st Floor Pacific Star Building, Sen. Gil Puyat Avenue corner Makati Avenue, Makati City (hereinafter referred to as the “Issuer” or “CPGI”); and
- (2) **China Banking Corporation - Trust and Asset Management Group**, a universal banking corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, and duly authorized to perform trust and other fiduciary functions, with principal office address at 8th Floor, China Bank Building, 8745 Paseo de Roxas corner Villar Street, Makati City 1226 Philippines (hereinafter referred to as the “Trustee”).

(Each of the Issuer and the Trustee is referred to herein as a “Party”, and the Issuer and the Trustee are collectively referred to as the “Parties”).

RECITALS:

- (1) The Issuer intends to offer a five (5)-year 5.7524 percent (5.7524%) Unsecured Peso-denominated Fixed-Rate Retail Bonds due 24 February 2027 in the aggregate principal amount of Two Billion Pesos (₱2,000,000,000.00) (the “Firm Bonds”) with an option for the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner to offer or purchase up to an additional One Billion Pesos (₱1,000,000,000.00) (the “Oversubscription Option”) (the Firm Bonds and the Oversubscription Option are, collectively, the “Bonds”) for public distribution and sale in the Philippines (the “Offer” or “Offering”). The proposed issuance is the first tranche to be issued from the Issuer’s Six Billion Pesos (₱6,000,000,000.00) debt securities program under shelf registration to be registered with the Securities and Exchange Commission (the “SEC”) (the “Debt Securities Program”).
- (2) The Issuer expects to obtain, by the Issue Date (as defined below) an Order of Registration and a Permit to Sell Securities from the SEC in respect of a public distribution and sale of the Bonds in the Philippines; and
- (3) The Issuer desires to appoint China Banking Corporation – Trust and Asset Management Group as the Trustee, and the Trustee on the basis of the representations and warranties of the Issuer and under the terms and conditions hereinafter set forth, has consented to the appointment.

NOW, THEREFORE, for and in consideration of the foregoing and subject to the terms and conditions set forth below, the Parties hereto agree as follows:

SECTION 1: DEFINITIONS

1.1 The following terms shall have the respective meanings set forth below:

Accounting Quarter has the meaning ascribed to it in Section 4.1(d).

Anti-Money Laundering Laws has the meaning ascribed to it in Section 3.1(x).

Application to Purchase means the application forms accomplished and submitted by an applicant for the purchase of a specified amount of the Bonds, together with all the other requirements set forth in such application form attached in Schedule 2 of the Registry and Paying Agency Agreement, or electronically submitted through the e-SIP.

Bond Agreements has the meaning ascribed to it in Section 7.1(c).

Bondholder means a person whose name appears, at any time, as a holder of the Bonds in the Electronic Registry of Bondholders.

Business Day means any day, other than Saturday, Sunday, and legal holidays on which commercial banks are open for business in Makati City, Metro Manila.

Corporate Sureties means Century Limitless Corporation, Century City Development Corporation, Century Communities Corporation, and Century Properties Management, Inc.

Current Ratio has the meaning ascribed to it in Section 4.1(d).

CWT means Philippine creditable withholding tax.

CWT Regulations means the Bureau of Internal Revenue Regulations No. 17-2003 as may be amended from time to time.

Debt means, with respect to any Person, without duplication, all obligations of such Person then outstanding for the payment or repayment of money, with respect to the following:

- (a) All indebtedness of such Person for or in connection with borrowed money or for the deferred purchase price of property or services or for leases and similar arrangements (including, but not limited to, reimbursement obligations under or in respect of any letter of credit or bank acceptance and the obligation to repay deposits with or advances to such Person);
- (b) All obligations secured by any Lien on any property of such Person, whether or not such obligations have been assumed by such Person; and
- (c) All direct or indirect Guarantees of such Person in respect of, and all obligations (contingent or otherwise) of such Person to purchase or otherwise acquire, or

otherwise to assure a creditor against loss in respect of, all indebtedness of another Person of the nature referred in (a) and (b) above.

Debt Service has the meaning ascribed to it in Section 4.1(d).

Debt Service Coverage Ratio has the meaning ascribed to it in Section 4.1(d).

Default means an Event of Default or an event, which, with notice or lapse of time or both, would become an Event of Default.

Electronic Registry of Bondholders means the electronic record of the issuances, sales and transfers of the Bonds to be maintained by the Registrar, pursuant to and under the terms of the Registry and Paying Agency Agreement.

Eligible Bondholder has the meaning ascribed to it in Section 6.5(b).

Event of Default means an event specified as such in Section 7 of this Trust Indenture.

FCPA has the meaning ascribed to it in Section 3(y).

Financial Indebtedness means for or in respect of:

- (a) borrowed money;
- (b) any debenture, bond, note or any similar instrument; and/or
- (c) any amount due for the redemption of redeemable preferred shares while the Bonds remain outstanding, except preferred shares redeemable at the sole option of the Issuer.

Financial Statements means the audited financial statements of the Issuer as of 31 December 2020 and the reviewed financial statements as of 30 September 2021 and any such interim semestral/quarterly statements that may be referred to, and subsequent periods, as applicable.

Governmental Authority means the Republic of the Philippines, or any of its political subdivisions, or any branch, department, agency, or office thereof, or any Person exercising or entitled to exercise executive, legislative, judicial, regulatory or administrative functions thereof.

GRT means Philippine Gross Receipts Tax.

Guarantee by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt or other obligation of any other Person, and without limiting the generality of the foregoing, any obligation, direct or indirect, contingent, or otherwise, of such Person:

- (a) To purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities, or services, to take-or-pay, or to maintain financial statement conditions or otherwise), or
- (b) Entered into for the purpose of assuring in any other manner the creditor of such Debt or other obligation of the payment thereof or to protect such creditor against loss in respect thereof (in whole or in part);

Provided, that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business. The term “Guarantee” used as a verb has a corresponding meaning.

Holdover Period has the meaning ascribed to it in Section 6.5(g).

Intellectual Property has the meaning ascribed to it in Section 3(s).

Interest Payment Date means 24 May 2022 for the first Interest Payment Date and on 24 August, 24 November, 24 February, and 24 May of each year for each subsequent Interest Payment Date, for so long as the relevant Bonds are outstanding. If the Interest Payment Date is not a Business Day, interest will be paid on the next succeeding Business Day, without any adjustment as to the amount of interest to be paid.

Interest Rate means 5.7524% per annum.

Interest Rate Setting Date means 8 February 2022.

Issue Date means 24 February 2022 or such date on which the Bonds will be issued by CPGI to the Bondholders.

Issue Management and Underwriting Agreement means the Issue Management and Underwriting Agreement dated 8 February 2022 between the Issuer and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.

Issuer means Century Properties Group Inc.

Law means (i) any statute, decree, constitution, regulation, rule, order or any directive of any Governmental Authority; (ii) any treaty, pact, compact or other agreement to which any Governmental Authority is a signatory or a party; (iii) any interpretation or application of any law described in clause (i) or (ii) above by any Governmental Authority exercising judicial or administrative functions; and (iv) any amendment or revision of any law described in clause (i), (ii) or (iii) above.

License and Land Acquisition Agreements means the written contracts, agreements, and arrangements pursuant to which the Issuer or any of its Subsidiaries acquires the use of land and the brand license necessary for its operations.

Lien means (a) a mortgage, charge, pledge, encumbrance, or other lien securing any obligation of any person, (b) any arrangement under which money or claims to, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person or, (c) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect.

Majority Bondholders means the Bondholders who hold, represent or account for more than fifty percent (50%) of the aggregate principal amount of the Bonds outstanding at the relevant time.

Master Certificate of Indebtedness means the certificate issued by the Issuer to the Trustee evidencing and covering such amount corresponding to the Bonds attached as Annex “D”.

Material Adverse Effect means a material and adverse effect or that which is reasonably likely to have a prospective material adverse effect on the condition (financial or other), prospects, results of operations, business, general affairs, profits, losses, assets and liabilities of the Issuer, or any of its Subsidiaries, or on the ability of the Issuer to perform its obligations under the Prospectus, the Bonds, this Trust Indenture or which are otherwise material in the context of the issue, offering and distribution of the Bonds.

Maturity Date means 24 February 2027, the Maturity Date of the Bonds for purposes of the Issuer effecting repayment of the principal amount thereof, which shall be in accordance with Business Day convention. Thus, if the Maturity Date is not a Business Day, the principal repayment, without adjustment as to the amount of interest and principal to be paid, shall be made by the Issuer on the succeeding Business Day.

OFAC has the meaning ascribed to it in Section 3.1(z)(i).

Offer or Offering means the offer and issuance of the Bonds by the Issuer pursuant to this Trust Indenture, Issue Management and Underwriting Agreement, Application to Purchase, and the Registry and Paying Agency Agreement.

Offer Period shall refer to the period commencing at 9:00 am on 14 February 2022 and ending at 5:00 pm on 18 February 2022 or such earlier day or later day as may be mutually agreed upon by the Issuer and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.

Order of Registration means the order issued by the SEC rendering effective the Registration Statement of the Issuer for the registration of the Debt Securities Program.

Oversubscription Option means in the event of oversubscription, the option of the Sole Issue Manager, with the consent of the Issuer, to increase the Offer by up to an additional amount of One Billion Pesos (₱1,000,000,000.00).

PAS/PFRS means Philippine Accounting Standards and Philippine Financial Reporting Standards.

Paying Agent means PDTC, appointed under the Registry and Paying Agency Agreement that will receive the funds from the Issuer for the payment of the principal, interest, and other amounts due on the Bonds and remit the same to the Bondholders, based on the records shown in the Electronic Registry of Bondholders.

Payment Date means each date on which payment for interest and/or principal in respect of the Bonds become due.

PDEX means the Philippine Dealing & Exchange Corp., a domestic corporation duly registered with the SEC to operate an exchange and trading market for fixed income securities and a member of the Philippine Dealing System Group.

PDTC means the Philippine Depository and Trust Corp.

Penalty Interest means the penalty interest at the rate of twelve percent (12%) per annum based on a three hundred sixty (360) day year over and above the Interest Rate from the time the amount falls due until it is fully paid.

Permit to Sell means the Permit to Sell issued by the SEC which permits the Offer of the Bonds in accordance with the SRC.

Permitted Lien means those liens specified under Section 3.1(n) of this Trust Indenture.

Person means individuals, juridical persons such as corporation, partnership, joint venture unincorporated association, trust or other juridical entities, or any governmental authority.

Peso or Pesos or ₱ or Php means the lawful and official currency of the Republic of the Philippines.

Philippines means the Republic of the Philippines.

Project Receivables means the receivables arising out of the sale of property held for sale by CPGI (or any of its Subsidiaries) in the ordinary course of business.

Prospectus means the final prospectus dated 8 February 2022, with all its annexes, appendices, and amendments, if any.

Quarter Date has the meaning ascribed to it in Section 4.1(d).

Record Date means two (2) Business Days prior to the relevant Payment Date, which shall be the reckoning day in determining the Bondholders entitled to receive interest, principal, or any other amount due under the Bonds.

Registrar means the PDTC, appointed pursuant to the Registry and Paying Agency Agreement.

Registry and Paying Agency Agreement means the Registry and Paying Agency Agreement dated 8 February 2022 between the Issuer and the Registrar and Paying Agent.

Registration Statement means the registration statement filed by the Issuer with the SEC in connection with the Debt Securities Program, as the same may be amended or supplemented from time to time, and rendered effective in accordance with the Order of Registration.

Resignation Effective Date has the meaning ascribed to it in Section 6.5(g).

Sanctions has the meaning ascribed to it in Section 3.1(z)(i).

SEC means the Philippine Securities and Exchange Commission and its successor agency/ies.

SEC Rules has the meaning ascribed to it in Section 3.1(f).

Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner means China Bank Capital Corporation.

SRC means Republic Act No. 8799, otherwise known as “The Securities Regulation Code of the Philippines”, including its implementing rules and regulations as promulgated and amended or supplemented by the SEC from time to time.

Subsidiary/ies means with respect to any Person, any entity of which more than fifty percent (50%) of whose securities, or other ownership interest having voting power to elect the board of directors or other person or body performing similar functions, are directly or indirectly owned by such Person, which, in respect of the Issuer, shall include but is not limited to Century City Development Corporation, Century Limitless Corporation, Century Communities Corporation, PHirst Park Homes Inc., Century Destinations Lifestyle Corp. (formerly known as Century Properties Hotel and Leisure, Inc.), and Century Properties Management, Inc.

Suretyship Agreement means the Suretyship Agreement dated 8 February 2022 between the Corporate Sureties and the Trustee.

Tax Code means Republic Act No. 8428, or the Philippine National Internal Revenue Code of 1997, as amended, and its implementing rules and regulations as maybe in effect from time to time.

Terms and Conditions means the terms and conditions of the issuance of the Bonds as set forth in **Annex “A”** of this Trust Indenture.

Trust Indenture means this Trust Indenture Agreement dated 8 February 2022 between the Issuer and the Trustee.

Trustee means China Banking Corporation – Trust and Asset Management Group.

- 1.2** In this Trust Indenture, unless there is something in the subject or context inconsistent therewith or unless the definitions in the Section are inconsistent therewith, the words and expressions used in the Terms and Conditions of the Bonds shall have the same respective meanings when used herein. Terms defined in the Issue Management and Underwriting Agreement, Registry and Paying Agency Agreement, the Terms and Conditions, and the Prospectus have the same meaning when used in this Agreement, or in any certificate, report, or other document or instrument made or delivered pursuant hereto, except where otherwise defined and where the context requires otherwise.
- 1.3** References to Sections, Subsections and Annexes are to sections and subsections of and annexes to this Trust Indenture. Words importing gender include feminine, masculine and neuter; any reference to a person includes its permitted successors and permitted assigns; and references to persons shall include individuals, corporations, partnerships, joint ventures, trusts, unincorporated organizations, political subdivisions, agencies or instrumentalities. The headings of the Sections and paragraphs herein are inserted for ease of reference only and shall not affect the interpretation thereof or of this Trust Indenture. Any reference to “writing” or cognate expressions includes a reference to facsimile transmission, electronic mails or comparable means of communications, and all consents and approvals to be obtained hereunder shall be understood to be required to be in writing. The words “include”, “includes” and “including” are not limiting and shall be deemed to be followed by the words “without limitation”, whether or not so followed. The words “hereof”, “herein” and “hereunder” and words of similar import when used in any document shall refer to such document as a whole and not to any particular provision of such document. Any reference to “days” shall mean calendar days and any reference to “month” shall mean a calendar month. Unless otherwise provided herein, a year shall refer to a calendar year. Unless herein otherwise provided or unless the context shall otherwise require, words denoting the singular number include the plural number, and *vice-versa*.

SECTION 2: APPOINTMENT OF THE TRUSTEE

- 2.1** The Issuer hereby appoints China Banking Corporation - Trust and Asset Management Group, as the Trustee, to act for and on behalf of the Bondholders based on the Terms and Conditions of the Bonds. The Trustee agrees to act upon the terms and subject to the conditions set forth herein. The appointment of the Trustee shall commence upon the Issue Date and shall subsist for as long as the Bonds or any portion thereof is outstanding, unless the services of the Trustee are otherwise terminated pursuant to Section 6.5(e) of this Trust Indenture.

- 2.2** In consideration for its services under this Trust Indenture, the Trustee shall be entitled to receive a trusteeship fee in accordance with a separate fee letter agreement executed between the Issuer and the Trustee to accrue from the Issue Date up to termination of this Trust Indenture. GRT or other applicable taxes accruing on the receipt by the Trustee of the trusteeship fee, if any, shall be for the account of the Issuer. For the avoidance of doubt, payments by the Issuer under this Trust Indenture are subject to CWT Regulations, and the Issuer shall withhold for taxes at the rates prescribed under the CWT Regulations free from any gross-up obligations. The trusteeship fee and the corresponding GRT or other applicable taxes accruing thereon, if any, shall be payable in arrears at the end of each quarter following the Issue Date.
- 2.3** All out-of-pocket expenses which are incurred by the Trustee with the prior written approval (not to be unreasonably withheld or delayed) of the Issuer in connection with the preparation, execution, delivery, and performance of this Trust Indenture and other related documents or agreements and the implementation of this Trust Indenture, and legal fees, if any, shall be for the account of the Issuer.
- 2.4** The Trustee shall not in any case under this Trust Indenture be required or obligated to advance any amount. However, should the Trustee decide in its absolute discretion to advance any amount, cost, or expense which it determines in good faith to be reasonable, and necessary under the circumstances for it to perform or to carry out its duties and obligations hereunder, the Issuer shall reimburse the amount so advanced within ten (10) Business Days following the Issuer's receipt of the Trustee's written request or demand for reimbursement. If unpaid after the lapse of such period, the Trustee shall thenceforth be also entitled to receive from the Issuer Penalty Interest on such amount.

SECTION 3: REPRESENTATIONS AND WARRANTIES OF THE ISSUER

- 3.1** The Issuer hereby represents and warrants to the Trustee as follows:
- (a) The Issuer and each of its Subsidiaries is a corporation duly organized, validly existing, and in good standing under and by virtue of the laws of the Republic of the Philippines, has its principal office at the address indicated in the Prospectus, is registered or qualified to do business in the Republic of the Philippines and has the corporate power and authority to conduct its business as presently being conducted and to own its properties and assets now owned by it as well as those to be hereafter acquired by it for the purpose of its business.
 - (b) The execution, delivery and performance of this Trust Indenture by the Issuer have been duly authorized by all necessary corporate and legal action on the part of the Issuer, and this Trust Indenture have been duly executed and delivered by the Issuer and constitutes, a valid, legal, and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms.

- (c) Each of the Corporate Sureties has the corporate power and authority to enter into the Suretyship Agreement, and all corporate and Governmental Authorizations, approvals, and other acts legally necessary for the execution of the Suretyship Agreement have been obtained or effected and are in full force and effect from execution of this Trust Indenture until the discharge and release of the Corporate Sureties in accordance with the Suretyship Agreement.
- (d) All corporate and Governmental Authorizations, approvals, and other acts legally necessary for the Offer and the issuance of the Bonds, for the circulation of the Prospectus and for the Issuer to enter into and comply with its obligations under the Bonds and under this Trust Indenture have been obtained or effected and are in full force and effect during the Offer Period and on Issue Date and all necessary steps have been undertaken to maintain the efficacy thereof. All conditions imposed under the SRC, including those imposed by SEC in the Order of Registration and Permit to Sell issued pursuant to the SRC, and any subsequent conditions imposed by the SEC for the Offer have been and will have been complied with by the Issuer as of the date and/or time that they are required to be complied with.
- (e) The obligations of the Issuer under the Bonds, when issued, and the Bond Agreements constitute the Issuer's legal, valid, binding, direct, and unconditional obligations, enforceable in accordance with their terms, and shall at all times rank *pari passu* in priority of payments and in all respects with all other unsecured obligations of the Issuer, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights generally and to principles of equity binding or applicable to the Issuer. The execution and delivery of this Trust Indenture and the Terms and Conditions by the Issuer, the consummation by the Issuer of the transactions contemplated hereby or the compliance by the Issuer with its obligations under the Bonds and the Bond Agreements will not: (i) violate or conflict with nor constitute a breach or default of any of the provisions of the Articles of Incorporation or Associations or the By-Laws of the Issuer, or other equivalent constitutive documents, or any resolution of the Board of Directors of the Issuer; (ii) contravene any existing applicable law, rule or regulations applicable to or binding upon the Issuer, (iii) conflict with or result in any breach of any of the terms or provisions of, or constitute any default under, or constitute a default or an event of default, upon the giving of notice or the passing of time (or both) on, or result in or require the creation of any Lien upon any property of the Issuer under, any indenture, mortgage, deed of trust, conditional sales contract, note, loan, loan agreement or other agreement or instrument to which the Issuer is a party or by which the Issuer or its properties or assets is bound or affected, where such violation, conflict, breach or default will have a Material Adverse Effect; and (iv) violate or infringe any judgment, order, or decree of any government, governmental body, court or instrumentality having jurisdiction over the Issuer or any of its properties.
- (f) No order preventing or suspending the use of the Prospectus shall have been issued by the SEC once the Permit to Sell Securities is issued by the SEC. The Prospectus

and the Registration Statement: (i) are compliant and will remain compliant in all material respects with relevant SEC regulations on bond issuances (“SEC Rules”); (ii) contain all information and particulars with respect to the Issuer and to the Bonds which are material in the context of the Offer (including, without limitation, all information required by the applicable laws and regulations of the Philippines and the information which, according to the particular nature of the Issuer and the Bonds, are required to be provided to potential investors to enable investors to make an informed assessment of the financial position, assets, business and prospects of the Issuer in its entirety and the rights attaching to the Bonds; (iii) do not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading; and (iv) all reasonable enquiries have been made by the Issuer to ascertain such material facts and to verify the accuracy of all such material information and statements.

- (g) Except for the Order of Registration and Permit to Sell Securities and the necessary disclosures to the SEC and The Philippine Stock Exchange, Inc. (“PSE”) there are no filings with, nor any approvals and consents of, any governmental, administrative or regulatory agency, that are necessary or desirable for the execution and delivery by the Issuer of the Bond Agreements, the issue and distribution of the Bonds, and the performance by the Issuer of its obligations under the Bonds and the Bond Agreements. No order suspending the effectiveness of the Permit to Sell Securities shall have been issued (once the latter is issued by the SEC), and no proceeding for that purpose shall have been instituted or, to the best knowledge of the Issuer, threatened by the SEC or any third party.
- (h) All information supplied or provided by the Issuer to the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner for the due diligence review for the Offer and for other purposes directly relating to the Offer, taken as a whole and as of their respective dates, and if amended or supplemented, as of such amendment or supplement are true, correct, complete and binding, in all material respects, on the Issuer, and may be fully relied upon by the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner. No information which is material in the context of the Offer has been withheld or otherwise not made available by the Issuer to the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.
- (i) Except as otherwise disclosed in the Registration Statement and Prospectus, since the respective dates as of which information is given in the Registration Statement and the Prospectus and until the Issue Date: (i) there has not been any material change, or any development involving a prospective material change, in or affecting the general affairs, business, prospects, management, financial position, stockholders’ equity, or financial performance of the Issuer or any of its Subsidiaries, other than changes or developments that do not have a Material Adverse Effect on the Issuer's ability to discharge its obligations under the Bonds and the Bond Agreements; and (ii) the Issuer or any of its Subsidiaries have not entered into any

transaction or agreement reasonably expected to have a Material Adverse Effect on the Issuer or any of its Subsidiaries, taken as a whole.

- (j) Save as otherwise disclosed in the Prospectus, there is no litigation, legal, administrative, or arbitration actions, suits, or proceedings pending or, to the best of its knowledge and belief having made due and careful inquiry, threatened against or affecting it or its properties, which could reasonably be expected to have a Material Adverse Effect on the Issuer or which might enjoin the execution and delivery, or might adversely affect in any manner the validity, enforceability or performance of the Bonds or the Offer or of any of the Terms and Conditions thereof.
- (k) The Financial Statements of the Issuer (both in respect of the Issuer itself and on a consolidated basis) are complete and fairly present the financial condition and the results of operations of the Issuer on the dates thereof and for the periods then ended. The Issuer's Financial Statements are in accordance with PAS/PFRS consistently applied.
- (l) Except as disclosed in the Prospectus, or in its Financial Statements (including the explanatory notes thereto), the Issuer and each of its Subsidiaries has, as of the date hereof, no liabilities or obligations of any nature, whether accrued, absolute, contingent, or otherwise, including but not limited to tax liabilities due or to become due, and whether incurred in respect of or measured by any income for any period prior to such date or arising out of transactions entered into or any state of facts existing prior thereto, which may individually or in the aggregate, have a Material Adverse Effect on the Issuer's ability to discharge its obligations under the Bonds and the Bond Agreements.
- (m) No event has occurred and is continuing which constitutes a default by the Issuer or, to the best of its knowledge after due inquiry, any of its Subsidiaries under or in respect of any agreement binding upon the Issuer or its Subsidiaries, and no event has occurred which, with the giving of notice, lapse of time, or other condition, would constitute a default by the Issuer or any of its Subsidiaries under or in respect of such agreement, which default in each case shall have a Material Adverse Effect on the Issuer's ability to comply with its obligations under the Bonds.
- (n) Except as disclosed in the Registration Statement or the Prospectus, the Issuer and each of its Subsidiaries has good, valid and marketable legal and/or beneficial title to all its properties owned by them free and clear of liens, encumbrances, restrictions, pledges, mortgages, security interest, charges or preferential arrangements of any kind (collectively, "Liens"), except for the following (each a "Permitted Lien"):
 - (i) Liens that are in existence on or prior to the Issue Date;
 - (ii) Liens arising by operation of law (including, for the avoidance of doubt, any preference or priority under Article 2244, paragraph 14(a) of the Civil Code of the Philippines existing prior to the date of this Trust Indenture) on any

property or asset of CPGI, including, without limitation, amounts owing to a landlord, carrier, warehouseman, mechanic or materialman or other similar liens arising in the ordinary course of business or arising out of pledges or deposits under the workers' compensation laws, unemployment, insurance and other social security laws;

- (iii) Liens incurred or deposits made in the ordinary course of business to secure (or obtain letters of credit that secure) the performance of tenders, statutory obligations or regulatory requirements, performance or return of money bonds, surety or appeal bonds, bonds for release of attachment, stay of execution or injunction, bids, leases, government contracts and similar obligations) and deposits for the payment of rent;
- (iv) Liens created by or resulting from any litigation or legal proceeding which is effectively stayed while the underlying claims are being contested in good faith by appropriate proceedings and with respect to which CPGI has established adequate reserves on its books in accordance with PAS/PFRS;
- (v) Liens arising from leases or subleases granted to others, easements, building and zoning restrictions, rights-of-way and similar charges or encumbrances on real property imposed by applicable Law or arising in the ordinary course of business that are not incurred in connection with the incurrence of a Debt and that do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of CPGI;
- (vi) Liens incidental to the normal conduct of the business of CPGI or ownership of its properties and which are not incurred in connection with the incurrence of a Debt and which do not impair the use of such property in the operation of the business of CPGI or the value of such property for the purpose of such business;
- (vii) Liens upon tangible personal property (by purchase or otherwise) granted by CPGI to (1) the vendor, supplier, any of their affiliates or lessor of such property, or (2) other lenders arranged to secure Debt representing the costs of such property, or incurred to refinance the same principal amount of such purchase money debt outstanding at the time of the refinancing, and not secured by any other asset other than such property;
- (viii) Liens arising from financial lease, hire purchase, conditional sale arrangements or other agreements for the acquisition of assets on deferred payment terms to the extent relating only to the assets which are subject of those arrangements, subject to such financial leases, hire purchase, conditional sale agreements or other agreements for the acquisition of such assets on deferred payment terms;
- (ix) Liens arising over any asset purchased, leased, or developed in the ordinary course of business, to secure: (1) the payment of the purchase price or cost of leasehold rights of such asset; (2) the payment of the cost and expenses for the development of such asset pursuant to any development made or being made by CPGI in the ordinary course of business; (3) the payment of any indebtedness in respect of borrowed money (including extensions and renewals thereof and replacements therefor) incurred for the purpose of financing the purchase, lease or development of such asset; or (4) the

- rediscounting of receivables or securitization of assets of CPGI;
- (x) Liens created on any property or assets of CPGI (including such equity interests) acquired, leased or developed after the Issue Date; provided however, that (1) any such Lien shall be confined to the property or assets of CPGI (including such equity interests) acquired, leased or developed; (2) the principal amount of the debt encumbered by such Lien shall not exceed the cost of the acquisition or development of such property or assets or any improvements thereto and thereon; and (3) any such lien shall be created concurrently within one year following the acquisition, lease or development of such property or assets;
 - (xi) Liens established in favor of insurance companies and other financial institutions in compliance with the applicable requirements of the Office of the Insurance Commission on admitted assets;
 - (xii) Rights of set-off arising in the ordinary course of business between CPGI and its suppliers, clients or customers;
 - (xiii) Netting or set-off arrangement entered into by CPGI in the ordinary course of business of its banking arrangements for the purpose of netting debt and credit balances;
 - (xiv) Title transfer or retention of title arrangement entered into by CPGI in the ordinary course of business;
 - (xv) Liens created in substitution for any Lien otherwise permitted provided such Lien is over the same asset and the principal amount so secured following the substitution does not exceed the principal amount secured on such asset immediately prior to such substitution;
 - (xvi) Liens securing Financial Indebtedness under hedging transactions entered into in the ordinary course of business and designed solely to protect CPGI or any of its Subsidiaries from fluctuations in interest rates or currencies or commodities and not for speculation;
 - (xvii) Liens in favor of banks, insurance companies, other financial institutions and Philippine government agencies, departments, authorities, corporations or other judicial entities, which secure a preferential financing obtained by CPGI (or any of its Subsidiaries) under a governmental program under which creation of a security is a prerequisite to obtain such financing, and which cover assets of CPGI which have an aggregate appraised value, determined in accordance with generally accepted appraisal principles and practices consistently applied not exceeding Three Billion Five Hundred Million Pesos (₱3,500,000,000.00);
 - (xviii) Liens, pursuant to additional future Financial Indebtedness incurred by CPGI's Subsidiaries, subject to CPGI's compliance with the Financial Covenants in Section 4.1(d) of this Trust Indenture;
 - (xix) Additional Financial Indebtedness, whether secured or unsecured, of CPGI, subject to CPGI's compliance with the Financial Covenants in Section 4.1(d) of this Trust Indenture;
 - (xx) Liens for any refinancing, renewal or extension of any financial obligation described in the foregoing clauses on Permitted Liens, provided that such Liens shall be limited to the original property or assets of CPGI (including

equity interests) securing such financial obligation; and
(xxi) Liens created with the prior written consent of the Majority Bondholders.

The ownership of such properties and rights of the Issuer is reflected in the audited balance sheet contained in its Financial Statements. All properties necessary for the operations of the Issuer, the loss of which would have a Material Adverse Effect, provided they are of an insurable nature, are insured with responsible and reputable insurance companies in such amounts and against such risks as are customary for companies engaged in the same business and owning similar properties in the same geographical areas as those in which the Issuer has operations.

- (o) The Issuer and each of its Subsidiaries have filed true and complete, and timely tax returns which are required to be filed by it and has paid all taxes due in respect of the ownership of its properties and assets or the conduct of its operations to the extent that such taxes have become due, except to the extent that the payment of such taxes is being contested in good faith and by appropriate proceedings.
- (p) The Issuer and its Subsidiaries are in compliance with all Philippine laws, statutes, regulations, and circulars, including without limitation the circulars, rules, regulations, and orders issued by the SEC and the Bureau of Internal Revenue.
- (q) The Issuer and its Subsidiaries have obtained all the necessary authorizations, approvals, licenses, permits or privileges required from all governmental and regulatory bodies for the conduct of their business and operations as presently conducted and said authorizations, approvals, licenses, permits or privileges remain valid and effective.
- (r) Except as disclosed to the initial Bondholders through the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner or in the Prospectus, the Issuer is not a party to any pending action or subject of any proceeding by or before any Governmental Authority for the assessment or collection of taxes.
- (s) Except as specifically described in the Registration Statement and Prospectus, the Issuer and its Subsidiaries possess (or can acquire on reasonable terms), all patents, licenses, inventions, copyrights, know-how, trademarks, service marks, trade names or other intellectual property (collectively, "Intellectual Property") necessary to carry on the business now operated by the Issuer and its Subsidiaries, and the Issuer or its Subsidiaries have not received notice and are not otherwise aware of any infringement of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances which would render any Intellectual Property invalid or inadequate to protect the interests of the Issuer or its Subsidiaries.
- (t) The Issuer and its Subsidiaries maintain insurance with responsible and reputable insurance companies in such amounts and against such risks as are customary for companies engaged in the same business and owning similar properties in the same

geographical areas as those in which the Issuer and its Subsidiaries operates. For the avoidance of doubt, the Parties acknowledge that the Issuer and its Subsidiaries do not maintain business interruption insurance, which is not considered customary insurance as contemplated under this provision.

- (u) The Issuer and each of its Subsidiaries have appointed and will maintain as its external auditors, a reputable and responsible firm of independent public accountants.
- (v) To the best knowledge of the Issuer, it and its Subsidiaries are not on the credit watch of any credit rating agency, nor are they being considered for credit watch nor is it aware of any reason why it is likely to be placed on credit watch during the period of twelve (12) months from the Signing Date, which would reasonably be likely to prejudice the success of the Offer or dealings in the Bonds in the secondary markets.
- (w) The statements, forecasts, estimates and expressions of opinion contained in the Registration Statement and the Prospectus as to the profits, prospects, dividends, indebtedness, assets, liabilities, cash flow and working capital of the Issuer have been made after due and proper consideration, and represent reasonable and fair expectations honestly held based on facts known to the Issuer as of the respective dates as of which information is given in the Registration Statement and Prospectus.
- (x) The operations of the Issuer and each of its Subsidiaries are and have been conducted at all times in compliance with applicable anti-money laundering laws, regulations, rules and guidelines in its jurisdiction and in each other jurisdiction in which such entity conducts business (collectively, the “Anti-Money Laundering Laws”) and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Issuer or any of its Subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Issuer (after due inquiry), threatened.
- (y) None of the Issuer or any of its Subsidiaries, or to the best of its knowledge after due inquiry, any director, officer, agent, employee, affiliate of or person acting on behalf of the Issuer or any of its Subsidiaries, is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the United States’ Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the “FCPA”), or any other applicable anti-bribery or anti-corruption law or regulation similar to the FCPA (including, but not limited to, the UK Bribery Act of 2010), in any other jurisdiction in which the Issuer or any of its Subsidiaries operates including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any “foreign official” (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA or any other similar applicable anti-bribery or anti-corruption law or

regulation of any other jurisdiction in which the Issuer or any of its Subsidiaries operates; and the Issuer and every Subsidiary has conducted their businesses in compliance with the FCPA and any other similar applicable anti-bribery or anti-corruption law or regulation of any other jurisdiction in which the Issuer or any of its Subsidiaries operates and have instituted and maintain policies and procedures designed to ensure continued compliance with, and prevent violation of, such laws, rules and regulations;

- (z) None of the Issuer or any of its Subsidiaries, or to the best of the Issuer's knowledge after due inquiry, any of their respective directors, officers, agent, employee, affiliate of or person acting on behalf of the Issuer or any of its Subsidiaries:
 - (i) is an individual or entity that is currently the subject of any sanctions administered or enforced by the United States Government, including, without limitation, the U.S. Department of State, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC"), the United Nations Security Council, the European Union or Her Majesty's Treasury or other relevant sanctions authority that are applicable to the jurisdictions in which the Issuer or any of its Subsidiaries operates (collectively, the "Sanctions");
 - (ii) is located, organized or operating in a country or territory that is the subject of any Sanctions; has engaged in, or is now engaged in any dealings or transactions with any government, person, entity or project targeted by, or located in any country or territory, that at the time of the dealing or transaction, is or was the subject of any Sanctions; or
 - (iii) is or has been in violation of or subject to an investigation relating to any Sanctions; and neither the Issuer nor any of its Subsidiaries will directly or indirectly use the proceeds of the offering of the Bonds hereunder, or lend, contribute or otherwise make available all or part of such proceeds to any Subsidiary, joint venture partner or other Person, for the purpose of financing the activities of or business with any Person currently subject to any Sanctions or operating in any country or territory that is the subject of Sanctions where such operations are in violation of such Sanctions or in any other manner that would result in a violation by any Person (including any Person participating in the offering, whether as underwriter, adviser, investor or otherwise) of Sanctions.
- (aa) The information in the Prospectus, as of its date (and in respect of each of its Subsidiaries, to the best of the Issuer's knowledge and belief having made due and careful inquiry) and taken as a whole, is true and correct in all material respects and is not misleading, and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading; provided, that the Issuer does not make any representation or warranty with respect to: (a) forecasts, projections, estimates, or statements of opinions as to the future condition

of the Issuer or any of its Subsidiaries and affiliates or any other person mentioned in the Prospectus; or (b) statements in or potential omissions from the Prospectus made in reliance upon and in conformity with information regarding the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner furnished to the Issuer by the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, specifically for use in the Prospectus, it being understood and agreed that only such information furnished by the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner consist of the following information in the Prospectus: (i) the legal and marketing name and address of the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner appearing on the cover page and on the back inside cover page, and (ii) the relevant paragraphs on page 79 under the section entitled, “Plan of Distribution”.

- (bb) The Issuer and/or each of its Subsidiaries validly holds the License and Land Acquisition Agreements necessary for the conduct of its business as now conducted; such License and Land Acquisition Agreements are in full force and effect and the Issuer and/or its Subsidiaries have undertaken all reasonable steps to maintain the efficacy thereof.

The above representations and warranties are true and correct as of the date of this Trust Indenture and shall remain true and correct on Issue Date.

The Trustee will hold the benefit of these representations and warranties in trust for the Bondholders.

SECTION 4: COVENANTS OF THE ISSUER

4.1 Affirmative Covenants

For as long as any of the Bonds remain outstanding, the Issuer hereby covenants to the Trustee that it shall:

- (a) Payments – As and when the Bonds or any of them becomes due to be redeemed or any principal on the Bonds or any of them becomes due to be repaid in accordance with the Terms and Conditions, unconditionally pay or procure to be paid to the order of the Trustee in Philippine Pesos in same day freely transferable funds the principal amount of the Bonds or any of them becoming due for redemption or repayment on that date and shall (subject to the Terms and Conditions), until all such payments (after as well as before any judgment or other order of any court of competent jurisdiction) are duly made, unconditionally pay or procure to be paid to the order of the Trustee as aforesaid on the dates provided for in the Terms and Conditions interest on the principal amount of the Bonds or any of them outstanding from time to time as set out in the Terms and Conditions, provided that:
 - (i) Every payment of principal or interest in respect of the Bonds or any of them made to the Registrar and Paying Agent in the manner provided for

in the Registry and Paying Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in this clause except to the extent that there is default in the subsequent payment thereof to the Bondholders as provided in the Terms and Conditions;

- (ii) If any payment of principal or interest in respect of the Bonds or any of them is made after the due date, payment shall be deemed not to have been made until the earlier of: either the date that the full amount is paid to the Bondholders or, the seventh (7th) calendar day after notice has been given to the Bondholders, in accordance with the Terms and Conditions, that the full amount has been received by the Registrar and Paying Agent; and
 - (iii) In any case where payment of the whole or any part of the principal amount due in respect of the Bonds is improperly withheld or refused (if so provided for in the Terms and Conditions), Penalty Interest shall accrue on the whole or part of such principal amount from the date of such withholding or refusal until the earlier of: (a) either the date on which such principal amount due is paid to the Bondholders or, (b) the seventh (7th) calendar day after which notice is given to the Bondholders in accordance with the Terms and Conditions that the full amount payable in respect of the said principal amount is available for collection by the Bondholders provided that on further due presentation thereof such payment is in fact made.
- (b) Maintenance and Continuity of Business – Maintain and preserve its corporate existence, its rights, privileges, and authorizations to carry on the normal conduct of its business operations, save to the extent that any failure to do so could not reasonably be expected to have a Material Adverse Effect.
- (c) Financial Statements – Provide the Bondholders through the Trustee with:
 - (i) One (1) copy each of its quarterly and semi-annual unaudited financial reports and its audited annual reports and accounts, as submitted to the SEC in its required form, within ten (10) Business Days from the SEC-prescribed deadline for the submission of each said report, each prepared in accordance with the PAS/PFRS then in effect;
 - (ii) Within ten (10) Business Days from the SEC-prescribed deadline for the submission of the Issuer's unaudited financial report for the period ending June 30 and its audited annual reports and accounts for the period ending December 31, a certificate issued by the Chief Finance Officer or any authorized officer of the Issuer, substantially in the form attached as **Annex "B"** of this Trust Indenture certifying:

- (x) That no Default has occurred and that all of its undertakings set out in Sections 4.1 and 4.2 have been met at the date of such reports; and
- (y) the Issuer's compliance with its financial ratios as prescribed under Section 4.1(d), accompanied by a detailed calculation of such financial ratios.

(d) Financial Covenants –

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

- (i) Current Ratio of at least 1.5x, tested pursuant to Section 4.1(c)(ii)
- (ii) Maximum total Debt-to-Equity ratio of 2.0x, tested pursuant to Section 4.1(c)(ii)
- (iii) Debt Service Coverage Ratio of not less than 1.2x, tested pursuant to Section 4.1(c)(ii)

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

- (i) **Current Ratio** means current assets over current liabilities.
- (ii) **Debt-to-Equity Ratio** means total debt over stockholders' equity, wherein total debt shall be comprised of current portion of the bank loans, plus bank loans (net of current portion), plus long-term loans and notes, plus Bonds.
- (iii) **Debt Service Coverage Ratio** means the (a) sum of the Issuer's cash balance, plus the Issuer's Debt Service for the last twelve (12) months, divided by (b) the Issuer's Debt Service for the last twelve (12) months; provided, however, that Debt Service payments made for the period pertaining to refinancing activities and rediscounting of receivables transactions sold on a with-recourse basis shall be excluded in the Debt Service calculation.
- (iv) **Debt Service** means debt principal amortizations, interest payments, financing fees and charges during such period.

For purposes of this Section 4.1(d), the following defined terms shall have the respective meaning set forth below:

- (i) **Accounting Quarter** means each period of approximately thirteen (13) weeks ending on each Quarter Date.

- (ii) **Quarter Date** means March 31, June 30, September 30 and December 31 in each year.
- (e) Insurance - (i) To the extent available on commercially reasonable terms, obtain or maintain insurance over its properties, which properties are necessary to its business and the loss of which would have a Material Adverse Effect (provided they are of an insurable nature) with financially sound and reputable insurers, or otherwise self-insure such properties (provided they are of an insurable nature) against loss or damage with such coverage and amounts as are customary for companies engaged in the same business and owning similar properties in the same geographical areas as those in which the Issuer and its Subsidiaries operate; and (ii) promptly submit to the Trustee, upon request, a certification on payment of insurance premiums. Properties with a book value of at least Two Billion Five Hundred Million Pesos (₱2,500,000,000.00) as reflected in the Issuer's latest available financial statements shall be considered as material, the loss of which shall be considered to have a Material Adverse Effect.
- (f) Appointment of Auditors – Appoint and maintain as auditors a firm of independent public accountants of internationally recognized standing.
- (g) Continuing Approvals – Obtain or procure the obtaining of, and thereafter maintain in full force and effect: (i) every consent and license and do all other acts and things as may from time to time be required under applicable Law for the legality, validity and enforceability of any of the Terms and Conditions; and (ii) every material consent and license as may from time to time be required under applicable Law for the due performance of its obligations under any of the Terms and Conditions.
- (h) Notice of Occurrence of Default – Inform the Bondholders in writing through the Trustee, within ten (10) Business Days after any senior officer with the rank of Vice President or higher or a member of the Board of Directors of the Issuer obtains knowledge of any occurrence of any event which constitutes a Default together with the statement as to the nature thereof.
- (i) Compliance with Law – At all times comply with, or cause to be complied with, all applicable Laws in relation to the Issuer, except to the extent failure to do so will not have a Material Adverse Effect.
- (j) Taxes - Duly pay and discharge all taxes, final assessments and governmental charges of whatsoever nature and by whomsoever levied upon it or against its properties prior to the date on which penalties attach thereto, unless and to the extent that the same shall be contested in good faith and by appropriate proceedings.
- (k) Indebtedness and Contractual and Other Obligations – Pay all of its Financial Indebtedness as they fall due and perform all contractual obligations relating to

such Financial Indebtedness promptly and in accordance with their terms, including, without limitation, its obligations under any of the Terms and Conditions, unless and to the extent that: (i) the unpaid debt does not exceed Five Hundred Million Pesos (₱500,000,000.00), or (ii) the same shall be contested in good faith and by appropriate proceedings; provided, that with respect to item (ii), written notice shall have been given by the Issuer to the Trustee regarding the nature of such contested Financial Indebtedness within ten (10) Business Days from the date such Financial Indebtedness became due.

- (l) Additional Agreements – Promptly execute and deliver to the Bondholders such additional agreements as the Bondholders may reasonably require from time to time to perfect and confirm unto the Bondholders all of the Bondholders’ rights, powers and remedies hereunder.
- (m) Pro-Rata and *Pari Passu* Treatment – Except with respect to prepayments under the Bonds, ensure that each Bondholder shall at all times share pro rata and shall rank *pari passu* with the other Bondholders with respect to any right or remedy set forth in this Trust Indenture or otherwise granted herein in respect of the Bond or Bonds held by such Bondholder.
- (n) Maintenance of Property – Subject to its right to dispose of assets: (i) keep and maintain all the properties of the Issuer necessary for its business in good working order and condition, normal wear and tear excepted; and (ii) maintain good, legal and valid title to the properties and assets registered in its name and necessary to its operations, the loss of which would have a Material Adverse Effect, free of all Liens, other than Permitted Liens.
- (o) Litigation – In the event that any litigation, arbitration or administrative or other proceeding is commenced against the Issuer which is reasonably likely to be decided against the Issuer and if so adversely decided, would have or be reasonably likely to have a Material Adverse Effect, diligently defend itself in such action or proceeding and not settle any claim against the Issuer without the consent of the Majority Bondholders; provided, that the Majority Bondholders’ consent shall not be required where: (i) the settlement of such claim made against the Issuer will not result in a Material Adverse Effect; or (ii) the settlement involves a case filed against the Issuer and, as part of the settlement, any counterclaim filed by the Issuer is offset against the claims against the Issuer or is otherwise withdrawn by the Issuer. Further, the Issuer shall not settle any claim made by the Issuer relating to any litigation, arbitration or administrative or other proceeding commenced by the Issuer which, if adversely decided against the Issuer, would have or be reasonably likely to have a Material Adverse Effect without the consent of the Majority Bondholders unless the settlement of such claim will not result in a Material Adverse Effect.
- (p) Use of Proceeds – The proceeds of the Offer shall be used exclusively for the purposes disclosed in the Prospectus.

- (q) Accounts – Keep in accordance with applicable Laws such proper books and records of account as are and which may from time to time be required to be kept under applicable Laws and keep such books and records of account in conformity with PAS/PFRS then in effect.

4.2 Negative Covenants

Until redemption or payment in full of the aggregate outstanding principal amount of the Bonds, the Issuer hereby covenants and agrees with the Trustee that the Issuer shall not, without the prior written consent of the Majority Bondholders:

- (a) Change in Business – Make or permit any material change in the general nature of its business from that carried on as at the date of this Trust Indenture or authorized in its articles of incorporation and by-laws, including amendments thereto, or engage in any business operation or activity other than that for which it is presently authorized by applicable Law.
- (b) Amendment of Articles of Incorporation and By-Laws and Quasi-Reorganization – (i) Amend its articles of incorporation, by-laws or other constitutive documents to decrease its authorized capital stock, or otherwise amend any provision which will have a Material Adverse Effect; or (ii) re-organize, undertake a quasi-reorganization, or reduce, return or retire its capital, except where such re-organization, quasi-reorganization, or reduction, return or retirement of capital shall not have a Material Adverse Effect.
- (c) Sale of All or Substantially All Assets; Merger – (i) Sell, lease, transfer, grant or otherwise dispose of, either in a single transaction or in a series of transactions, whether related or not, all or substantially all of its properties and assets, or (ii) consolidate or merge with any other corporation unless, as a result of any merger, the Issuer becomes the surviving corporation.
- (d) Declaration or Payment of Dividends – Declare or pay cash dividends to its stockholders or purchase or otherwise acquire any of its capital stock or any claims thereto, or make any other capital or asset distribution to its stockholders (other than distribution of stock dividends), except where such payment of dividends does not exceed fifty percent (50%) of the net income after tax for the immediately preceding financing year and, at the time of such declaration, purchase, acquisition or distribution, the Issuer is not required to comply, or if so required, is compliant, with its financial covenants under Section 4.1(d). For the avoidance of doubt, the prohibition hereunder shall not apply to distributions of capital by the Issuer pursuant to any of its employee stock option plans or other similar incentive plans.
- (e) Guarantee – Assume, guarantee, endorse, or otherwise become directly or contingently liable (including, without limitation, liable by way of agreement,

contingent or otherwise, to purchase, use facilities, provide funds of payment, supply funds to or otherwise invest in the debtor or otherwise assure the debtor against loss) for or in connection with any obligation or Debt of any Person. This prohibition shall not apply to Guarantees extended by the Issuer to its Subsidiaries in connection with its Subsidiaries' acquisition transactions, expansion projects, or contract to sell financing.

- (f) Loans and Advances to Directors, Officers and Stockholders - Extend any loans, advances or subsidies to any of its directors, officers, employees or stockholders other than: (i) loans in the ordinary course of the Issuer's business (such as, but not limited to, loans extended to employees under employee benefit programs that may from time to time be implemented by the Issuer), and (ii) where the same shall not have a Material Adverse Effect on the Issuer's ability to perform its payment obligations under the Terms and Conditions.
- (g) Capital Expenditures – Make or incur any capital expenditures, unless such capital expenditures (i) are incurred for the repair, replacement, reinstatement, expansion or upgrade of core and supporting assets, (ii) are incurred in the ordinary course of business, or (iii) if at the time of, or after giving effect to such transaction, an Event of Default would not result therefrom.
- (h) Incur Additional Debt or Act as Surety – Incur Debt (other than accounts payable incurred in the ordinary course of business) that would result in a breach of its Financial Covenants in Section 4.1(d) of this Trust Indenture as of both the prior quarter and succeeding quarter.
- (i) Loans and Advances to any Person – Extend any loans, advances, or subsidies to any Person, except: (i) loans, advances or subsidies made upon the prior written consent of the Majority Bondholders, in the ordinary course of business and on arm's length commercial terms, (ii) permitted loans, advances, or subsidies to the Issuer's directors, officers, employees, or stockholders in accordance with Section 4.2(f) made in the ordinary course of business, or those which do not have a Material Adverse Effect on the Issuer's ability to perform its payment obligations under the Terms and Conditions, (iii) Guarantees or financial support undertaking allowed under Section 4.2(e), and (iv) loans, advances, or subsidies to any of the Issuer's Subsidiaries or affiliates; provided, that the amount of loans, advances, or subsidies to such affiliates shall not exceed Three Hundred Million Pesos (₱300,000,000.00); provided, further, that in any of the foregoing exceptions, the same shall not result in the occurrence of a Default.
- (j) Negative Pledge – Until redemption or payment in full of the aggregate outstanding principal amount of the Bonds, the Issuer shall not, without the prior written consent of the Majority Bondholders, directly or indirectly, incur or suffer to exist any Lien upon any of its assets and revenues, present and future, or enter into any loan facility agreement secured by or to be secured by a Lien upon any of its assets and revenues, present and future, unless it has made or will make effective

provisions, satisfactory to the Majority Bondholders, in the Bondholders' absolute discretion, whereby the Lien thereby created will secure, equally and ratably, any and all the obligations of the Issuer hereunder and such other Debt which such Lien purports to secure; provided that the foregoing restriction shall not apply to the Permitted Lien provided in Section 3.1(n) of this Trust Indenture.

(k) Investments – Invest in or acquire:

- (i) Any share in or any security issued by any Person, or any interest therein or in the capital of any Person; or
- (ii) Directly or indirectly, the business or going concern, or all or substantially all of the properties or assets or business, of any Person or invest in a controlling interest therein,

except where such investment or acquisition will not have a Material Adverse Effect on the Issuer's ability to perform its payment obligations under this Trust Indenture and the Bonds.

- (l) Arm's Length Transactions – Subject to Sections 4.2(e), (f), (i)(iii), and (i)(iv), enter into any transaction or agreement between the Issuer, on one hand, and its shareholders or affiliate or Subsidiary of the Issuer or its shareholders on the other hand, except on an arm's length commercial basis.

4.3 Survival

The covenants of the Issuer mentioned in Sections 4.1 and 4.2 of this Trust Indenture shall survive the issuance of the Bonds and shall be performed fully and faithfully by the Issuer at all times while the Bonds or any portion thereof remains outstanding.

4.4 Benefit

The Trustee will hold the benefit of these covenants in trust for the Bondholders.

SECTION 5: REPRESENTATIONS AND WARRANTIES OF THE TRUSTEE

5.1 The Trustee represents and warrants to the Issuer as follows:

- (a) It is a corporation duly organized, validly existing and in good standing under and by virtue of the laws of the Philippines.
- (b) It has taken all appropriate or necessary corporate actions to authorize the execution, delivery and performance of this Trust Indenture, and has obtained all governmental consents, licenses, approvals and authorizations, and has effected all declarations, filings and registrations necessary for its execution and

delivery of this Trust Indenture and its performance of the terms hereof.

- (c) Its execution, delivery and performance of this Trust Indenture will not conflict with or constitute a breach of its charter/articles of incorporation, by-laws, or any resolution of its board of directors or any agreement or instrument to which it is a party or under which any of its properties or assets are bound, or any law of the Philippines or any regulation, judgment or order of any agency or instrumentality thereof.
- (d) It is duly authorized and licensed and has full power and authority to perform the trust functions prescribed hereunder.
- (e) It shall not give any information or make any representation in respect of the Issuer, the Offer and the Bonds other than those contained in the Prospectus, including any amendment or supplement thereto, unless approved in writing by the Issuer and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.

SECTION 6: DUTIES OF THE TRUSTEE

6.1 Duties and Responsibilities

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

6.2 Liability of the Trustee

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

- (a) Prior to the occurrence of an Event of Default or after the curing or the waiver of all defaults which may have occurred, in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely upon, as to the truth of the statements and the correctness of the opinion expressed in, any certificate or opinion furnished to the Trustee conforming to the requirements of this Trust Indenture. The Trustee may presume that no Event of Default has occurred until it has received notice or has actual knowledge thereof;
- (b) The Trustee shall not be liable for any error of judgment made in good faith by its responsible officer or officers, unless it shall be proven that the Trustee was grossly negligent in ascertaining the pertinent facts; and
- (c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Majority Bondholders relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under this Trust Indenture.

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

6.3 Ability to Consult Counsel

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

in good faith deem reasonable in the circumstances; and the Trustee shall require such further evidence or make such further investigation as may reasonably be requested in writing by the Majority Bondholders.

6.4 The Trustee as Owner of the Bonds

The Trustee, in its individual or any other capacity, may become a holder of the Bonds with the same rights it would have if it were not the Trustee and the Trustee shall otherwise deal with CPGI in the same manner and to the same extent as though it were not the Trustee hereunder; provided, that such ownership shall not be considered a conflict of interest requiring resignation or change of the Trustee under Section 6.5.

6.5 Resignation and Change of Trustee

- (a) The Trustee may at any time resign by giving ninety (90) calendar days' prior written notice to CPGI and to the Bondholders of such resignation.
- (b) Upon receiving such notice of resignation of the Trustee, CPGI shall immediately appoint a successor trustee by written instrument in duplicate, executed by its authorized officers, one (1) copy of which instrument shall be delivered to the resigning Trustee and one (1) copy to the successor trustee. If no successor trustee shall have been so appointed and have accepted such appointment within thirty (30) calendar days after the resigning Trustee has served its notice of resignation on CPGI, the resigning Trustee, may petition the court of competent jurisdiction for the appointment of a successor, or any Bondholder who has been a bona fide holder for at least six (6) months (the "Eligible Bondholder") may, for and on behalf of the Bondholders, petition any such court for the appointment of a successor. Such a court may thereupon after notice, if any, as it may deem proper, appoint a successor trustee.
- (c) A successor trustee should possess all the qualifications required under pertinent laws, otherwise, the incumbent trustee shall continue to act as such.
- (d) Upon the acceptance of any appointment as trustee hereunder by a successor trustee, such successor trustee shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the resigning Trustee, and the resigning Trustee shall be discharged from its duties and obligations hereunder. The resigning Trustee shall cooperate with the successor trustee and the Bondholders in all reasonable ways to ensure an orderly turnover of its functions and the records in its custody.
- (e) In case at any time the Trustee shall become incapable of acting, or has acquired conflicting interest, or shall be adjudged as bankrupt or insolvent, or a receiver for the Trustee, or of its property shall be appointed, or any public officer shall take charge or control of the Trustee, or of its properties or affairs for the purpose of rehabilitation, conservation or liquidation, then CPGI may within thirty (30) calendar days from such event remove the Trustee concerned, and appoint a successor trustee,

by written instrument in duplicate, executed by its authorized officers, one (1) copy of which instrument shall be delivered to the Trustee so removed and one (1) copy to the successor trustee. If CPGI fails to remove the Trustee concerned and appoint a successor trustee, any Eligible Bondholder shall petition any court of competent jurisdiction for the removal of the Trustee concerned and the appointment of a successor trustee. Such court may thereupon after such notice, if any, as it may deem proper, remove the Trustee and appoint a successor trustee.

- (f) The Majority Bondholders may at any time remove the Trustee for just and reasonable cause, and appoint a successor trustee with the consent of CPGI, provided that no consent shall be required if there has been an occurrence of an Event of Default, by the delivery to the Trustee so removed, to the successor trustee and to CPGI, of the required evidence of the action in that regard taken by the Majority Bondholders. Such removal shall take effect thirty (30) calendar days from receipt of such notice by the Trustee.
- (g) Any resignation or removal of the Trustee and the appointment of a successor trustee pursuant to any of the provisions of this Trust Indenture shall become effective upon the earlier of: (i) acceptance of appointment by the successor trustee as provided in this Trust Indenture; or (ii) the effectivity of the resignation notice sent by the Trustee under this Trust Indenture (the “Resignation Effective Date”) provided, however, that after the Resignation Effective Date and, as relevant, until such successor trustee is qualified and appointed (the “Holdover Period”), the resigning Trustee shall discharge duties and responsibilities solely as a custodian of records for turnover to the successor Trustee promptly upon the appointment thereof by CPGI.

6.6 Successor Trustee

- (a) Any successor trustee appointed shall execute, acknowledge and deliver to CPGI and to its predecessor Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the predecessor Trustee shall become effective and such successor trustee, without further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor in the trusteeship with like effect as if originally named as trustee in this Trust Indenture. The foregoing notwithstanding, on the written request of CPGI or of the successor trustee, the Trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee, upon the trusteeship herein expressed, all the rights, powers and duties of the Trustee so ceasing to act as such. Upon request of any such successor trustee, CPGI shall execute any and all instruments in writing as may be necessary to fully vest in and confer to such successor trustee all such rights, powers and duties.
- (b) Upon acceptance of the appointment by a successor trustee, CPGI shall notify the Bondholders in writing of the succession of such trustee to the trusteeship. If CPGI fails to notify the Bondholders within ten (10) calendar days after the acceptance of appointment by the successor trustee, the latter shall cause the Bondholders to be

notified at the expense of CPGI.

6.7 Merger or Consolidation

Any corporation into which the Trustee may be merged or with which it may be consolidated or any corporation resulting from any merger or consolidation to which the Trustee shall be a party or any corporation succeeding to the business of the Trustee shall be the successor of the Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the Parties hereto, anything herein to the contrary notwithstanding, provided that, such successor trustee shall be eligible under the provisions of this Trust Indenture and the SRC; however, where such successor trustee is not qualified under the pertinent Laws, then the provisions of Section 6.5(e) shall apply.

6.8 Reliance

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

6.9 Reports to the Bondholders

- (a) Only upon the existence of either (i) and (ii) below, the Trustee shall submit to the Bondholders on or before 30 July of each year from the relevant Issue Date until full payment of the Bonds, a brief report dated as of December 31 of the immediately preceding year with respect to:
 - (i) The property and funds, if any, physically in the possession of the Registrar and Paying Agent held in trust for the Bondholders on the date of such report which shall be based on the report to be given by the Registrar and Paying Agent to the Trustee; and
 - (ii) Any action taken by the Trustee in the performance of its duties under this Trust Indenture which it has not previously reported and which in its opinion materially affects the Bonds, except action in respect of a default, notice of which has been or is to be withheld by it.
- (b) The Trustee shall likewise submit to the Bondholders a brief report within ninety (90) calendar days from the making of any advance for the reimbursement of which it claims or may claim a lien or charge which is prior to that of the Bondholders on the property or funds held or collected by the Registrar and Paying Agent with respect to the character, amount and the circumstances surrounding the making of such advance; provided that, such advance remaining unpaid amounts to at least ten percent (10%) of the aggregate outstanding principal amount of the Bonds at such time.
- (c) Upon due notice to the Trustee, the following pertinent documents may be inspected

during regular business hours on any Business Day at the principal office of the Trustee:

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

SECTION 7: EVENTS OF DEFAULT

7.1 CPGI shall be considered in default under the Bonds and this Trust Indenture in case any of the following events (each an “Event of Default”) shall occur and is continuing:

(a) **Payment Default**

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

(b) **Representation Default**

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

(c) **Other Provisions Default**

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

(d) Cross Default

CPGI violates any material term or condition of any contract executed by CPGI with any bank, financial institution or other person, corporation or entity for borrowed money which constitutes an event of default under said contract, or in general, violates any law or regulation, which violation, if remediable, is not remedied by CPGI within ten (10) Business Days from receipt of notice by the Trustee to CPGI, or which violation is otherwise not contested by CPGI, and the effect of such violation results in the acceleration or declaration of the whole financial obligation to be due and payable prior to the stated normal date of maturity; and which violation shall in the reasonable opinion of the Trustee, acting for the Majority Bondholders, adversely and materially affect the performance by CPGI of its obligations under this Trust Indenture and the Bonds; provided, however, that no event of default shall occur under this paragraph unless the aggregate amount of indebtedness in respect of which one or more of the events above mentioned has/have occurred equals or exceeds Five Hundred Million Pesos (₱500,000,000.00).

(e) Inability to Pay Debts; Bankruptcy Default

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

(f) Expropriation

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

(g) Judgment Default

A final and executory judgment, decree or order for the payment of money, damages, fine or penalty in excess of Five Hundred Million Pesos (₱500,000,000.00) or its equivalent in any other currency is entered against CPGI and (i) CPGI has failed to demonstrate to the reasonable satisfaction of the Majority Bondholders within thirty (30) calendar days of the judgment, decree or order being entered that it is reasonably certain that the judgment, decree or order will be satisfied, discharged or stayed within thirty (30) calendar days of the judgment, decree or order being entered, or (ii) the said final judgment, decree or order is not paid, discharged, stayed or fully bonded within thirty (30) calendar days after the date when payment of such judgment, decree or order is due.

(h) Attachment

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

(i) Contest

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

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

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

SECTION 8: CONSEQUENCES OF DEFAULT

8.1 Declaration by the Trustee or the Majority Bondholders

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

declaration the same shall be immediately due and payable, anything contained in this Trust Indenture or in the Bonds to the contrary notwithstanding.

This provision, however, is subject to the condition that except in the case of Sections 7.1 (e), (f), (g), and (h), the Majority Bondholders, by written notice to the Issuer and the Trustee may, during the prescribed curing period, if any, rescind and annul such declaration and its consequences upon such terms, conditions and agreement, if any, as they may determine; provided that, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

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

- (a) By notice in writing to CPGI, require the Registrar and Paying Agent to:
 - (i) act thereafter as agents of the Bondholders represented by the Trustee on the terms provided in the Registry and Paying Agency Agreement (with consequential amendments as necessary and save that the Trustee's liability under any provisions thereof for the indemnification, remuneration and payment of out-of-pocket expenses of the Registrar and Paying Agent and the Registrar shall be limited to amounts for the time being held by the Trustee on the trusts of this Trust Indenture in relation to the Bonds and available to the Trustee for such purpose) and thereafter to hold all sums, documents and records held by them in respect of the Bonds on behalf of the Trustee; and/or
 - (ii) deliver all evidence of the Bonds and all sums, documents and records held by them in respect of the Bonds to the Trustee or as the Trustee shall direct in such notice; provided that, such notice shall be deemed not to apply to any document or record which the Registrar and Paying Agent is not obliged to release by any law or regulation; or
- (b) By notice in writing to CPGI, require CPGI to make all subsequent payments in respect of the Bonds to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn, provision (ii) above and CPGI's positive covenant to pay principal and interest, net of applicable withholding taxes, on the Bonds, more particularly set forth in this Trust Indenture, shall cease to have effect.

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

8.2 Notice of Default

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

default known to it, unless the same shall have been cured before the giving of such notice; provided that, in the case of payment default under Section 7.1 (a) above, the Trustee shall immediately notify the Bondholders upon the Trustee's receipt of notice or actual knowledge of the occurrence of such payment default. The existence of a written notice required to be given to the Bondholders hereunder shall be published in a newspaper of general circulation in the Philippines for two (2) consecutive days, further indicating in the published notice that the Bondholders or their duly authorized representatives may obtain an important notice regarding the Bonds at the principal office of the Trustee upon presentment of sufficient and acceptable identification.

8.3 Penalty Interest

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

8.4 Payment During Default

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

8.5 Application of Payments

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

may direct. The Registrar and Paying Agent shall render a monthly account of such funds under its control.

8.6 Prescription

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

8.7 Remedies

All remedies conferred by this Trust Indenture to the Trustee and the Bondholders shall be cumulative and not exclusive and shall not be so construed as to deprive the Trustee or the Bondholders of any legal remedy by judicial or extra judicial proceedings appropriate to enforce the conditions and covenants of this Trust Indenture, subject to the Bondholders' Ability to File Suit as provided for in Section 8.7 of this Trust Indenture.

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

8.8 Ability to File Suit

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

8.9 Waiver or Revocation of Default by the Bondholders

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

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

The Trustee shall, within five (5) Business Days after receipt of the written waiver from the Majority Bondholders of any Event of Default or revocation of any default previously declared, give to the Bondholders written notice of such waiver, or revocation known to it via publication in a newspaper of general circulation in the Philippines for two (2) consecutive days as soon as practicable, indicating in the published notice that an Event of Default has occurred and has been waived or a declaration of a default has been revoked by the Majority Bondholders.

SECTION 9: MEETINGS OF BONDHOLDERS

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

9.2 Notice of Meetings

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

9.3 Failure of the Trustee to Call a Meeting

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

9.4 Quorum

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

9.5 Procedure for Meetings

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

9.6 Voting Rights

To be entitled to vote at any meeting of the Bondholders, a person shall be a registered holder of one (1) or more Bonds or a person appointed by an instrument in writing as proxy by any such holder as of the date of the said meeting. Bondholders shall be entitled to one (1) vote for every Ten Thousand Pesos (₱10,000.00) interest. The only persons who shall be entitled to be present or to speak at any meeting of the Bondholders shall be the persons entitled to vote at such meeting and any representatives of CPGI and its legal counsel.

9.7 Voting Requirement

All matters presented for resolution by the Bondholders in a meeting duly called for the purpose shall be decided or approved by the affirmative vote of the Majority Bondholders present or represented in a meeting at which there is a quorum except as otherwise provided in this Trust Indenture. Any resolution of the Bondholders which has been duly approved

with the required number of votes of the Bondholders as provided in this Trust Indenture shall be binding upon all the Bondholders and CPGI as if the votes were unanimous.

9.8 Role of the Trustee in Meetings of the Bondholders

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

SECTION 10: MISCELLANEOUS

- 10.1** In the event that a primary obligation for payment shall arise out of this Trust Indenture such as to constitute this Trust Indenture as a contract for the payment of an indebtedness or a loan, then it is understood and expressly agreed by the Parties hereto that the obligation created under this Trust Indenture shall not enjoy any priority, preference or special privileges whatsoever over any indebtedness or obligations of the Issuer. Accordingly, whatever priorities or preferences that this instrument may have or any person deriving a right hereunder may have under Article 2244, paragraph 14(a) of the Civil Code of the Philippines, are hereby absolutely and unconditionally waived and renounced. This waiver and renunciation of the priority or preference under Article 2244, paragraph 14(a) of the Civil Code of the Philippines shall be revoked if it be shown that an indebtedness of the Issuer for borrowed money has a priority or preference under the said provision, except as allowed under Section 4.1(m).
- 10.2** Other than as may otherwise be contemplated under this Trust Indenture, it is expressly agreed that the names of the Issuer and the Trustee shall not in any way be used in any advertisements, nor any public announcement of any kind be made concerning their roles or participation in this transaction without their prior written consent.
- 10.3** This Trust Indenture shall be binding on and inure solely to the benefit of the Trustee, the Bondholders and the Issuer, their respective successors and assigns and no other person shall acquire or have any right under this Trust Indenture except the Bondholders who shall be held to be successors and assigns by reason of being the holders in due course of the outstanding Bonds.
- 10.4** If any one or more of the provisions contained in this Trust Indenture shall be declared invalid, illegal, unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired. The Parties agree to replace any invalid provision with a valid provision which most closely approximates the intent and economic effect of the invalid provision.

10.5 This Trust Indenture shall be governed by and shall be construed in accordance with the laws of the Philippines. In the event of any legal action arising from, or by reason of, the interpretation and enforcement of the provisions of this Trust Indenture, (a) the proper venue for such court action shall be the proper courts in the City of Makati, to the exclusion of all other courts, the Parties hereby waiving any objection they may now or hereafter have to the laying of the venue of any such legal action and any claim that any such legal action has been brought in an inconvenient forum; and (b) the Party adjudged by the court to be liable shall be obliged to pay the costs of litigation, as well as reasonable attorney's fees.

10.6 All notices, statements and requests to be made under this Trust Indenture shall be in writing and shall be personally delivered to the Party concerned at its respective address:

To the Issuer

Attention : Atty. Isabelita Ching-Sales
Designation : Group Head for Legal Services and Corporate Affairs, Chief Information and Chief Compliance Officer
Address : 21/F Pacific Star Building, Sen. Gil Puyat Avenue corner Makati Avenue, Makati City
Facsimile : (632) 7793-8906
Telephone : (632) 7793-5500 local 8220

To the Trustee

Attention : Susan U. Ferrer / Jericho D. Lagustan
Designation : Senior Assistant Vice President / Assistant Vice President
Address : China Banking Corporation – Trust and Asset Management Group
8th Floor China Bank Building, 8751 Paseo de Roxas corner Villar Street, Makati City
Facsimile : (632) 8867 1077
Telephone : (632) 8885 5874 / (632) 8885-5888 loc. 6006

All notices shall be deemed received on the date of receipt thereof by the addressee. Each Party may change its address for purposes of receiving notice by giving notice to the other Party hereto.

10.7 Unless otherwise stated in writing, no failure or delay on the part of any party in exercising any rights, powers or remedies under this Trust Indenture shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other right, power, or remedy hereunder. The remedies herein provided are cumulative in nature and not exclusive of any remedies provided by law.

- 10.8** This Trust Indenture may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any single counterpart or set of counterparts signed in either case by any of the Parties hereto shall constitute a full and original agreement for all purposes.

[Signature pages follow.]

IN WITNESS WHEREOF, the Parties hereto have caused this Trust Indenture to be executed by their respective representatives as of the date above written in the City of Makati, Metro Manila, Philippines.

**CENTURY PROPERTIES GROUP
INC.**

(Issuer)

By:



PONCIANO S. CARREON, JR.
*Chief Financial Officer / Corporate
Treasurer / Investor Relations Officer*

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI CTY) S. S.

FEB 08 2022 BEFORE ME, a Notary Public for and in the above jurisdiction, this 2022, personally appeared the following:

<u>Name</u>	<u>Identification</u>	<u>Issued At/Expiring On</u>
Ponciano S. Carreon	TIN No. 180-091-161	n/a

known to me and by me known to be the same person who executed the foregoing Trust Indenture Agreement which he acknowledged to me is his own free and voluntary act and deed as well as of the corporation he represents.

WITNESS MY HAND AND SEAL on the date and at the place first above-written.

Doc. No. 219;
Page No. 45;
Book No. I;
Series of 2022.


TRIXIE CARMELA J. GONZALES

Appointment No. M-010
Notary Public for Makati City
Until December 31, 2023

23rd Floor, Century Diamond Tower, Century City,
Kalayaan Avenue corner Salamanca Street,
Barangay Poblacion, Makati City
MCLE Compliance No. VII-0005431, 12.10.2021
PTR No. MKT8853291MJ, 01.03.2022 / Makati City
Roll No. 74043 / IBP No. 172083, 01.05.2022 / Manila IV

IN WITNESS WHEREOF, the Parties hereto have caused this Trust Indenture to be executed by their respective representatives as of the date above written in the City of Makati, Metro Manila, Philippines.

**CHINA BANKING CORPORATION –
TRUST AND ASSET MANAGEMENT GROUP**
(The Trustee)

By:


MARY ANN T. LIM
Vice President


SUSAN U. FERRER
Senior Assistant Vice President

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF Makati City) S. S.

FEB 08 2022

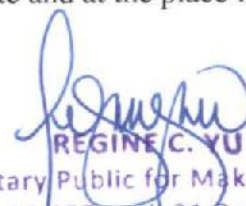
BEFORE ME, a Notary Public for and in the above jurisdiction, this _____ 2021,
personally appeared the following:

<u>Name</u>	<u>Identification</u>	<u>Issued At/Expiring On</u>
Mary Ann T. Lim	<u>Driver's License No.</u> <u>G01-94-178174</u>	Valid until: <u>10/29/2022</u>
Susan U. Ferrer	<u>Driver's License No.</u> <u>N06-81-020501</u>	Valid until: <u>9/2/2024</u>

known to me and by me known to be the same persons who executed the foregoing Trust Indenture Agreement which they acknowledged to me is their own free and voluntary act and deed as well as of the corporation they represent.

WITNESS MY HAND AND SEAL on the date and at the place first above-written.

Doc. No. 426;
Page No. 87;
Book No. 6;
Series of 2022.


REGINE C. YU
Notary Public for Makati City
Appt. No. M-187 until 31 December 2021
4/F Philcom Building,
8755 Paseo de Roxas, Makati City
PTR No. 8855304; 01-05-22; Makati City
IBP Lifetime No. 016425; 01-05-22; Makati City
Roll of Attorney's No. 58781
EXTENDED UNTIL JUNE 30, 2022
PURSUANT TO BAR MATTER NO. 3795

ANNEX “A”

TERMS AND CONDITIONS OF THE BONDS

GENERAL

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

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

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

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

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

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

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

1. Form, Denomination and Title

a. Form and Denomination

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

b. Title

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

c. Bond Rating

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

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

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

2. Transfer of Bonds

a. Electronic Registry of Bondholders

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

b. Transfers; Tax Status

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

c. Secondary Trading of the Bonds

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

3. Ranking

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

4. Interest

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

a. Interest Payment Dates

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

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

b. Interest Accrual

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

c. Determination of Interest Amount

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

5. Redemption and Purchase

a. Final Redemption

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

b. Redemption for Taxation Reasons

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

c. Optional Redemption

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

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

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

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

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

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

d. Purchase and Cancellation

The Issuer may purchase the Bonds at any time in the open market or by tender or by contract at any price without any obligation to make pro-rata purchases from all Bondholders. Bonds so

purchased shall be redeemed and cancelled and may not be re-issued.

e. Change in Law or Circumstance

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

- i. Any government and/or non-government consent, license, authorization, registration, or approval now or hereafter necessary to enable CPGI to comply with its obligations under the Trust Indenture Agreement or the Bonds shall be modified in a manner which shall materially and adversely affect the ability of CPGI to comply with such obligations or shall be withdrawn or withheld.
- ii. Any provision of the Trust Indenture Agreement or any of the related documents is or shall become, for any reason, invalid, illegal, or unenforceable to the extent that it shall become for any reason unlawful for CPGI to give effect to its rights or obligations hereunder, or to enforce any provisions of the Trust Indenture Agreement or any of the related documents in whole or in part, or any law shall be introduced to prevent or restrain the performance by the parties hereto of their obligations under the Trust Indenture Agreement or any other related documents.
- iii. Any concessions, permits, rights, or privileges required for the conduct of the business and operations of CPGI shall be revoked, cancelled, or otherwise terminated, or the free and continued use and exercise thereof shall be curtailed or prevented, in such manner as to materially and adversely affect the financial condition or operations of CPGI.

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

6. Payments

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

under the Bonds.

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

7. Payment of Additional Amounts; Taxation

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

- a. Income tax on any gain by a holder of the Bonds realized from the sale, exchange or retirement of the said Bonds;
- b. The applicable final withholding tax on interest earned on the Bonds prescribed under the Tax Code. Interest income on the Bonds is subject to a final withholding tax at rates between 20% and 25%, depending on the tax status of the relevant Bondholder and subject to its claim of tax exemption or preferential withholding tax rates under relevant law, regulation, or tax treaty. An investor who is exempt from the aforesaid withholding tax, or is subject to a preferential withholding tax rate shall be required to submit the following requirements to the Registrar and Paying Agent, subject to acceptance by the Issuer as being sufficient in form and substance: (i) a current and valid BIR-certified true copy of the tax exemption certificate, ruling or opinion issued by the BIR addressed to the Applicant confirming the exemption from taxation of interest on fixed income securities; (ii) a duly notarized undertaking, in the prescribed form, executed by (ii.a) the Corporate Secretary or any authorized representative, who has personal knowledge of the exemption based on his official functions, if the Applicant purchases the Bonds for its account, or (ii.b) the Trust Officer, if the Applicant is a universal bank authorized under Philippine law to perform trust and fiduciary functions and purchase the Bonds pursuant to its management of tax-exempt entities (i.e. Employee Retirement Fund, etc.), declaring and warranting such entities' tax exempt status or preferential rate entitlement, undertaking to immediately notify the Issuer and the Registrar and Paying Agent of any suspension or revocation of the tax exemption certificates or preferential rate entitlement, and agreeing to indemnify and hold the Issuer and the Registrar and Paying Agent free and harmless against any claims, actions, suits, and liabilities arising from the non-withholding of the required tax; and (iii) for those who are claiming benefits under tax treaties, (a) prior to the payment of the initial interest due, (i) three (3) originals of the submitted BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes filed by the Bondholder or, if the Bondholder is a fiscally transparent

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

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

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

8. Financial Covenants

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

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

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

Current Ratio means current assets over current liabilities.

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

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

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

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

Financial Ratios

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

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

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
Interest coverage ratio						
Total net income after tax	1,082	1,100	1,149	1,479	1,118	650
Add: Provision for income tax	(359)	427	415	577	504	371
Add: Interest expense	526	402	784	748	414	287
EBIT	1,249	1,929	2,348	2,804	2,036	1,308
Interest expense	526	402	784	748	414	287
Interest coverage ratio (x)	2.37	4.80	2.99	3.75	4.92	4.56
Debt service coverage ratio						
Total debt service excluding sale of receivables with recourse and refinancing	4,789	5,075	4,538	3,367	4,211	5,141
Add: Cash and cash equivalents	3,796	3,989	2,474	4,005	1,950	1,400
Cash Before Debt Service	8,585	9,064	7,012	7,372	6,161	6,541
Divide: Debt service	4,789	5,075	4,538	3,367	4,211	5,141
Debt service coverage ratio (x)	1.79	1.79	1.55	2.19	1.46	1.27
Current ratio						
Current Assets	35,340	32,378	34,067	34,366	31,995	28,251
Current Liabilities	15,973	11,700	14,183	16,099	15,050	11,224
Current ratio (x)	2.2	2.8	2.4	2.1	2.1	2.5
Quick Ratio						
Current Assets	35,340	32,378	34,067	34,366	31,995	28,251
Inventory	15,271	13,880	14,651	15,558	17,257	15,846
Quick Assets	20,069	18,498	19,416	18,808	14,738	12,405
Current Liabilities	15,973	11,700	14,183	16,099	15,050	11,224
Quick Ratio (x)	1.3	1.6	1.4	1.2	1.0	1.1
Debt to equity ratio						
Short-term debt	336	566	812	1,453	2,207	1,416
Current portion of long-term debt	3,269	2,696	5,447	5,462	5,389	3,099
Current portion of bonds payable	2,985	119	119	1,393	0	0
Long-term debt – net of current	8,928	13,026	9,409	9,881	11,645	10,084

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
Portion						
Bonds payable – net of current	2,950	2,960	2,966	3,060	1,506	1,501
Debt	18,468	19,367	18,753	21,249	20,747	16,100
Equity	22,132	21,321	21,132	19,616	17,463	16,256
Debt to equity ratio (x)	0.8	0.9	0.9	1.1	1.2	1.0
Net debt to equity ratio						
Debt	18,468	19,367	18,753	21,249	20,747	16,100
Less: Cash and cash equivalents	3,796	3,989	2,474	4,005	1,950	1,400
Net Debt	14,672	15,378	16,279	17,244	18,797	14,700
Total Equity	22,132	21,321	21,132	19,616	17,463	16,256
Net debt to equity ratio (x)	0.7	0.7	0.8	0.9	1.1	0.9
EBITDA						
Net income after tax	1,082	1,100	1,149	1,479	1,118	650
Provision for income tax	(359)	427	415	577	504	371
Income before Income Tax	723	1,527	1,564	2,056	1,622	1,021
Interest expense	526	402	784	748	414	287
Depreciation and amortization	42	36	59	57	38	33
EBITDA	1,292	1,965	2,407	2,861	2,074	1,341
Debt						
Debt	18,468	19,367	18,753	21,249	20,747	16,100
EBITDA (Annualized for Interim)	1,722	2,620	2,407	2,861	2,074	1,341
Debt-to-EBITDA (x)	10.7	7.4	7.8	7.4	10.0	12.0
Net Debt	14,672	15,378	16,279	17,244	18,797	14,700
EBITDA (Annualized for Interim)	1,722	2,620	2,407	2,861	2,074	1,341
Net Debt-to-EBITDA	8.5	5.9	6.8	6.0	9.1	11.0
Asset to equity ratio						
Total Assets	54,830	53,906	53,009	53,442	49,366	42,556
Total Equity	22,132	21,321	21,132	19,616	17,463	16,256
Asset to equity ratio (x)	2.5	2.5	2.5	2.7	2.8	2.6
Total Liabilities / Total Equity						

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
Total Liabilities	32,697	32,584	31,877	33,826	31,903	26,300
Total Equity	22,132	21,321	21,132	19,616	17,463	16,256
Total Liabilities / Total Equity	1.5	1.5	1.5	1.7	1.8	1.6

Notes:

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

- 12) Net debt-to-equity ratio is calculated as total interest-bearing debt minus cash and cash equivalents divided by total equity as of the end of the period.
- 13) Asset-to-equity ratio is total assets over total equity.
- 14) Liabilities-to-equity ratio is total liabilities over total equity.
- 15) EBITDA is computed by adding back provision for income tax, interest expense and depreciation and amortization to the net income for the period.

9. Negative Pledge

Until redemption or payment in full of the aggregate outstanding principal amount of the Bonds, CPGI shall not, without the prior written consent of the Majority Bondholders, directly or indirectly, incur or suffer to exist any Lien upon any of its assets and revenues, present and future, or enter into any loan facility agreement secured by or to be secured by a Lien upon any of its assets and revenues, present and future, unless it has made or will make effective provisions, satisfactory to the Majority Bondholders, in the Bondholders' absolute discretion, whereby the Lien thereby created will secure, equally and ratably, any and all the obligations of CPGI hereunder and such other Debt which such Lien purports to secure; that the foregoing restriction shall not apply to the following (each a "Permitted Lien" and together, the "Permitted Liens"):

- a. Liens that are in existence on or prior to the Issue Date;
- b. Liens arising by operation of law (including, for the avoidance of doubt, any preference or priority under Article 2244, paragraph 14(a) of the Civil Code of the Philippines existing prior to the date of the Trust Indenture Agreement) on any property or asset of CPGI, including, without limitation, amounts owing to a landlord, carrier, warehouseman, mechanic or materialman or other similar liens arising in the ordinary course of business or arising out of pledges or deposits under workers' compensation laws, unemployment, insurance and other social security laws;
- c. Liens incurred or deposits made in the ordinary course of business to secure (or obtain letters of credit that secure) the performance of tenders, statutory obligations or regulatory requirements, performance or return of money bonds, surety or appeal bonds, bonds for release of attachment, stay of execution or injunction, bids, leases, government contracts and similar obligations), and deposits for the payment of rent;
- d. Liens created by or resulting from any litigation or legal proceeding which is effectively stayed while the underlying claims are being contested in good faith by appropriate proceedings and with respect to which CPGI has established adequate reserves on its books in accordance with PAS/PFRS;
- e. Liens arising from leases or subleases granted to others, easements, building and zoning restrictions, rights-of-way, and similar charges or encumbrances on real property imposed by applicable law or arising in the ordinary course of business that are not incurred in connection with the incurrence of a Debt and that do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of CPGI;

- f. Liens incidental to the normal conduct of the business of CPGI or ownership of its properties and which are not incurred in connection with the incurrence of a Debt and which do not impair the use of such property in the operation of the business of CPGI or the value of such property for the purpose of such business;
- g. Liens upon tangible personal property (by purchase or otherwise) granted by CPGI to (i) the vendor, supplier, any of their affiliates or lessor of such property, or (ii) other lenders arranged to secure Debt representing the costs of such property, or incurred to refinance the same principal amount of such purchase money debt outstanding at the time of the refinancing, and not secured by any other asset other than such property;
- h. Liens arising from financial lease, hire purchase, conditional sale arrangements, or other agreements for the acquisition of assets on deferred payment terms to the extent relating only to the assets which are subject of those arrangements, subject to such financial leases, hire purchase, conditional sale agreements or other agreements for the acquisition of such assets on deferred payment terms;
- i. Liens arising over any asset purchased, leased, or developed in the ordinary course of business, to secure: (i) the payment of the purchase price or cost of leasehold rights of such asset; (ii) the payment of the cost and expenses for the development of such asset pursuant to any development made or being made by CPGI in the ordinary course of business; (iii) the payment of any indebtedness in respect of borrowed money (including extensions and renewals thereof and replacements therefor) incurred for the purpose of financing the purchase, lease or development of such asset; or (iv) the rediscounting of receivables or securitization of assets of CPGI;
- j. Liens created on any property or assets of CPGI (including such equity interests) acquired, leased or developed after the Issue Date; provided however, that (a) any such lien shall be confined to the property or assets of CPGI (including such equity interests) acquired, leased or developed; (b) the principal amount of the debt encumbered by such Lien shall not exceed the cost of the acquisition or development of such property or assets or any improvements thereto and thereon; and (c) any such lien shall be created concurrently within one (1) year following the acquisition, lease or development of such property or assets;
- k. Liens established in favor of insurance companies and other financial institutions in compliance with the applicable requirements of the Office of the Insurance Commission on admitted assets;
- l. Rights of set-off arising in the ordinary course of business between the CPGI and its suppliers, clients or customers;
- m. Netting or set-off arrangement entered into by CPGI in the ordinary course of business of its banking arrangements for the purpose of netting debt and credit balances;
- n. Title transfer or retention of title arrangement entered into by CPGI in the ordinary course of business;

- o. Liens created in substitution for any Lien otherwise permitted provided such Lien is over the same asset and the principal amount so secured following the substitution does not exceed the principal amount secured on such asset immediately prior to such substitution;
- p. Liens securing Financial Indebtedness under hedging transactions entered into in the ordinary course of business and designed solely to protect CPGI or any of its Subsidiaries from fluctuations in interest rates or currencies or commodities and not for speculation;
- q. Liens in favor of banks, insurance companies, other financial institutions and Philippine government agencies, departments, authorities, corporations or other judicial entities, which secure a preferential financing obtained by CPGI (or any of its Subsidiaries) under a governmental program under which creation of a security is a prerequisite to obtain such financing, and which cover assets of CPGI which have an aggregate appraised value, determined in accordance with generally accepted appraisal principles and practices consistently applied not exceeding ₱3,500,000,000;
- r. Liens pursuant to additional future Financial Indebtedness incurred by CPGI's Subsidiaries, subject to CPGI's compliance with the Financial Covenants in Section 4.1(d) of the Trust Indenture Agreement;
- s. Additional Financial Indebtedness, whether secured or unsecured, of CPGI, subject to CPGI's compliance with the Financial Covenants in Section 4.1(d) of the Trust Indenture Agreement;
- t. Any refinancing, renewal or extension of any financial obligation described in the foregoing clauses on Permitted Liens, provided that such Liens shall be limited to the original property or assets of CPGI (including such equity interests) securing such financial obligation; and
- u. Liens created with the prior written consent of the Majority Bondholders.

10. Events of Default

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

a. Payment Default

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

b. Representation Default

Any representation or warranty made or repeated by CPGI in any of the Bonds is untrue, incorrect

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

c. Other Provisions Default

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

d. Cross Default

CPGI violates any material term or condition of any contract executed by CPGI with any bank, financial institution or other person, corporation, or entity for borrowed money which constitutes an event of default under said contract, or in general, violates any law or regulation, which violation, if remediable, is not remedied by CPGI within 10 Business Days from receipt of notice by the Trustee to CPGI, or which violation is otherwise not contested by CPGI, and the effect of such violation results in the acceleration or declaration of the whole financial obligation to be due and payable prior to the stated normal date of maturity; and which violation shall in the reasonable opinion of the Trustee, acting for the Majority Bondholders, adversely and materially affect the performance by CPGI of its obligations under the Trust Indenture Agreement and the Bonds; provided, however, that, no event of default shall occur under this paragraph unless the aggregate amount of indebtedness in respect of which one or more of the events above mentioned has/have occurred equals or exceeds ₱500,000,000.

e. Inability to Pay Debts; Bankruptcy Default

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

foregoing.

f. Expropriation

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

g. Judgment Default

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

h. Attachment

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

i. Contest

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

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

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

11. Consequences of Default

If any one or more of the Events of Default shall have occurred and be continuing, the Trustee upon the written direction of the Majority Bondholders and by notice in writing delivered to CPGI, or the Majority Bondholders, by notice in writing delivered to CPGI and the Trustee, may declare all amounts due, including the principal of the Bonds, all accrued interest and other charges thereon, if

any, to be immediately due and payable, and upon such declaration the same shall be immediately due and payable, anything contained in the Trust Indenture Agreement or in the Bonds to the contrary notwithstanding.

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

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

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

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

12. Notice of Default

The Trustee shall, within 10 calendar days after receipt of notice of or actual knowledge of the occurrence of any Event of Default, give to the Bondholders written notice of such default known to it, unless the same shall have been cured before the giving of such notice; provided that, in the case of payment default under Condition 10.1(a) above, the Trustee shall immediately notify the Bondholders upon the Trustee's receipt of notice or actual knowledge of the occurrence of such payment default. The existence of a written notice required to be given to the Bondholders hereunder shall be published in a newspaper of general circulation in the Philippines for two (2) consecutive days, further indicating in the published notice that the Bondholders or their duly authorized representatives may obtain an important notice regarding the Bonds at the principal office of the Trustee upon presentment of sufficient and acceptable identification.

13. Penalty Interest

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

14. Payment During Default

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

15. Application of Payments

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

16. Prescription

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

17. Remedies

All remedies conferred by the Trust Indenture Agreement to the Trustee and the Bondholders shall be cumulative and not exclusive and shall not be so construed as to deprive the Trustee or the

Bondholders of any legal remedy by judicial or extra judicial proceedings appropriate to enforce the conditions and covenants of the Trust Indenture Agreement, subject to the Bondholders' ability to file suit as provided for in Condition 18 below.

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

18. Ability to File Suit

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

19. Waiver or Revocation of Default by the Bondholders

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

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

The Trustee shall, within five (5) Business Days after receipt of the written waiver from the Majority Bondholders of any Event of Default or revocation of any default previously declared, give to the Bondholders written notice of such waiver, or revocation known to it via publication in a newspaper of general circulation in the Philippines for two (2) consecutive days as soon as practicable, indicating in the published notice an Event of Default has occurred and has been waived or a declaration of a default has been revoked by the Majority Bondholders.

20. Trustee; Notices

a. To the Trustee

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

To the Trustee:

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

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

b. To the Bondholders

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

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

c. Binding and Conclusive Nature

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

21. The Trustee

a. Duties and Responsibilities

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

b. Liability of the Trustee

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

- i. Prior to the occurrence of an Event of Default or after the curing or the waiver of all defaults which may have occurred, in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely upon, as to the truth of the statements and the correctness of the opinion expressed in, any certificate or opinion furnished to the Trustee conforming to the requirements of the Trust Indenture Agreement. The Trustee may presume that no Event of Default has occurred until it has received notice or has actual knowledge thereof;
- ii. The Trustee shall not be liable for any error of judgment made in good faith by its responsible officer or officers, unless it shall be proven that the Trustee was grossly negligent in ascertaining the pertinent facts; and
- iii. The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Majority Bondholders relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under the Trust Indenture Agreement.

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

c. Ability to Consult Counsel

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

by the Majority Bondholders.

d. The Trustee as Owner of the Bonds

The Trustee, in its individual or any other capacity, may become a holder of the Bonds with the same rights it would have if it were not the Trustee and the Trustee shall otherwise deal with CPGI in the same manner and to the same extent as though it were not the Trustee hereunder; provided, that such ownership shall not be considered a conflict of interest requiring resignation or change of the Trustee under Condition 1©(i).

e. Resignation and Change of Trustee

- i. The Trustee may at any time resign by giving 90 calendar days prior written notice to CPGI and to the Bondholders of such resignation.
- ii. Upon receiving such notice of resignation of the Trustee, CPGI shall immediately appoint a successor trustee by written instrument in duplicate, executed by its authorized officers, one copy of which instrument shall be delivered to the resigning Trustee and one copy to the successor trustee. If no successor trustee shall have been so appointed and have accepted such appointment within 30 calendar days after the resigning Trustee has served its notice of resignation on CPGI, the resigning Trustee, may petition the court of competent jurisdiction for the appointment of a successor, or any Bondholder who has been a bona fide holder for at least six (6) months (the “Eligible Bondholder”) may, for and on behalf of the Bondholders, petition any such court for the appointment of a successor. Such a court may thereupon after notice, if any, as it may deem proper, appoint a successor trustee.
- iii. A successor trustee should possess all the qualifications required under pertinent laws, otherwise, the incumbent trustee shall continue to act as such.
- iv. Upon the acceptance of any appointment as trustee hereunder by a successor trustee, such successor trustee shall thereupon succeed to and become vested with all the rights, powers, privileges, and duties of the resigning Trustee, and the resigning Trustee shall be discharged from its duties and obligations hereunder. The resigning Trustee shall cooperate with the successor trustee and the Bondholders in all reasonable ways to ensure an orderly turnover of its functions and the records in its custody.
- v. In case at any time the Trustee shall become incapable of acting, or has acquired conflicting interest, or shall be adjudged as bankrupt or insolvent, or a receiver for the Trustee, or of its property shall be appointed, or any public officer shall take charge or control of the Trustee, or of its properties or affairs for the purpose of rehabilitation, conservation or liquidation, then CPGI may within 30 calendar days from such event remove the Trustee concerned, and appoint a successor trustee, by written instrument in duplicate, executed by its authorized officers, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor trustee. If CPGI fails to remove the Trustee concerned and appoint a successor trustee, any Eligible

Bondholder shall petition any court of competent jurisdiction for the removal of the Trustee concerned and the appointment of a successor trustee. Such court may thereupon after such notice, if any, as it may deem proper, remove the Trustee and appoint a successor trustee.

- vi. The Majority Bondholders may at any time remove the Trustee for just and reasonable cause and appoint a successor trustee with the consent of CPGI, provided that no consent shall be required if there has been an occurrence of an Event of Default, by the delivery to the Trustee so removed, to the successor trustee and to CPGI, of the required evidence of the action in that regard taken by the Majority Bondholders. Such removal shall take effect 30 days from receipt of such notice by the Trustee.
- vii. Any resignation or removal of the Trustee and the appointment of a successor trustee pursuant to any of the provisions of the Trust Indenture Agreement shall become effective upon the earlier of: (i) acceptance of appointment by the successor trustee as provided in the Trust Indenture Agreement; or (ii) the effectivity of the resignation notice sent by the Trustee under the Trust Indenture Agreement (the “Resignation Effective Date”) provided, however, that after the Resignation Effective Date and, as relevant, until such successor trustee is qualified and appointed (the “Holdover Period”), the resigning Trustee shall discharge duties and responsibilities solely as a custodian of records for turnover to the successor Trustee promptly upon the appointment thereof by CPGI.

f. Successor Trustee

- i. Any successor trustee appointed shall execute, acknowledge and deliver to CPGI and to its predecessor Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the predecessor Trustee shall become effective and such successor trustee, without further act, deed, or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor in the trusteeship with like effect as if originally named as trustee in the Trust Indenture Agreement. The foregoing notwithstanding, on the written request of CPGI or of the successor trustee, the Trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee, upon the trusteeship herein expressed, all the rights, powers and duties of the Trustee so ceasing to act as such. Upon request of any such successor trustee, CPGI shall execute any and all instruments in writing as may be necessary to fully vest in and confer to such successor trustee all such rights, powers and duties.
- ii. Upon acceptance of the appointment by a successor trustee, CPGI shall notify the Bondholders in writing of the succession of such trustee to the trusteeship. If CPGI fails to notify the Bondholders within 10 calendar days after the acceptance of appointment by the successor trustee, the latter shall cause the Bondholders to be notified at the expense of CPGI.

g. Merger or Consolidation

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

h. Reliance

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

22. Reports to the Bondholders

- a. Only upon the existence of either (i) and (ii) below, the Trustee shall submit to the Bondholders on or before July 30 of each year from the relevant Issue Date until full payment of the Bonds, a brief report dated as of 31 December of the immediately preceding year with respect to:
 - i. The property and funds, if any, physically in the possession of the Registrar and Paying Agent held in trust for the Bondholders on the date of such report which shall be based on the report to be given by the Registrar and Paying Agent to the Trustee through the Issuer; and
 - ii. Any action taken by the Trustee in the performance of its duties under the Trust Indenture Agreement which it has not previously reported and which in its opinion materially affects the Bonds, except action in respect of a default, notice of which has been or is to be withheld by it.
- b) The Trustee shall likewise submit to the Bondholders a brief report within 90 calendar days from the making of any advance for the reimbursement of which it claims or may claim a lien or charge which is prior to that of the Bondholders on the property or funds held or collected by the Registrar and Paying Agent with respect to the character, amount and the circumstances surrounding the making of such advance; provided that, such advance remaining unpaid amounts to at least 10% of the aggregate outstanding principal amount of the Bonds at such time.

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

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

23. Meetings of the Bondholders

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

a. Notice of Meetings

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

b. Failure of the Trustee to Call a Meeting

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

c. Quorum

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

d. Procedure for Meetings

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

e. Voting Rights

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

f. Voting Requirement

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

g. Role of the Trustee in Meetings of the Bondholders

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

24. Amendments

The Issuer and the Trustee may, without notice to or the consent of the Bondholders or other parties, amend or waive any provisions of the Bond Agreements if such amendment or waiver is of a formal, minor, or technical nature or to correct a manifest error or inconsistency provided in all cases that

such amendment or waiver does not adversely affect the interests of the Bondholders and provided further that all Bondholders are notified of such amendment or waiver.

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

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

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

25. Evidence Supporting the Action of the Bondholders

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

thereof at the meeting of the Bondholders duly called and held in accordance herewith or (iii) a combination of such instrument and any such record of meeting of the Bondholders.

26. Non-Reliance

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

27. Waiver of Preference or Priority

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

28. Governing Law

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

ANNEX “B”
CERTIFICATE OF NO DEFAULT

[Date]

[Address]

Attention : [●]

Subject : ₱2,000,000,000 Unsecured Peso-denominated Fixed Rate Retail Bonds Due 2027 of Century Properties Group Inc. (“CPGI” or the “Issuer” or the “Company”) with an Oversubscription Option of up to ₱1,000,000,000

Gentlemen:

In accordance with Section 4.1(c) of the Trust Indenture Agreement (the “Trust Indenture”) dated 8 February 2022 executed by and between CPGI as the Issuer and China Banking Corporation - Trust and Asset Management Group as the Trustee, the Issuer hereby certifies that, as of the date hereof:

- (1) no event has occurred which constitutes, or which, with the giving of notice or lapse of time or both, would constitute, an Event of Default under the Trust Indenture;
- (2) that all of the Issuer’s undertakings as set out Sections 4.1 and 4.2 of the Trust Indenture have been met; and
- (3) it is in compliance with its financial ratios as prescribed under Section 4.1(d) of the Trust Indenture.

Defined terms used herein and not otherwise defined shall have the meanings ascribed to such terms under the Trust Indenture.

Very truly yours,

CENTURY PROPERTIES GROUP INC.

By:

Name: [●]

Position: Authorized Signatories

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S

SUBSCRIBED AND SWORN to before me this [●] at [●], affiant exhibiting to me his/her
Passport No. [●].

Doc. No. _____;

Page No. _____;

Book No. _____;

Series of 2022.

ANNEX “C”
INTEREST PAYMENT SCHEDULE

1	24 May 2022
2	24 August 2022
3	24 November 2022
4	24 February 2023
5	24 May 2023
6	24 August 2023
7	24 November 2023
8	24 February 2024
9	24 May 2024
10	24 August 2024
11	24 November 2024
12	24 February 2025
13	24 May 2025
14	24 August 2025
15	24 November 2025
16	24 February 2026
17	24 May 2026
18	24 August 2026
19	24 November 2026
20	24 February 2027

ANNEX “D”



MASTER CERTIFICATE OF INDEBTEDNESS

representing

₱3,000,000,000.00

Unsecured Peso-denominated Fixed Rate Retail Bonds Due 2027

ISSUE PRICE: 100% OF THE AGGREGATE PRINCIPAL AMOUNT

DUE: FIVE (5) YEARS FROM ISSUE DATE OR ON 24 February 2027

ISSUE DATE: 24 February 2022

This Master Certificate of Indebtedness is issued by Century Properties Group, Inc. (the “Issuer” or “CPGI”), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at the 21/F Pacific Star Building, Sen. Gil Puyat Avenue corner Makati Avenue, Makati City, in respect of the five (5)-year 5.7524 percent (5.7524%) Unsecured Peso-Denominated Fixed-Rate Retail Bonds due 24 February 2027 in the aggregate principal amount of Three Billion Pesos ₱3,000,000,000.00 (the “Bonds”) and represents the Bonds. The Bonds are issued pursuant to the authority granted by the Securities and Exchange Commission on [●] 2022 under Order of Registration SEC MSRD No. [●], Series of 2022 and Permit to Sell dated [●] 2022, the terms of the Trust Indenture Agreement entered into between the Issuer and China Banking Corporation - Trust and Asset Management Group (“Trustee”) as Trustee, and the terms of the Registry and Paying Agency Agreement entered into between the Issuer and the Philippine Depository & Trust Corporation as Registrar and Paying Agent, dated 8 February 2022 and 8 February 2022, respectively, and shall at all times be subject to and governed by the Terms and Conditions.

Terms defined in the Terms and Conditions and the Trust Indenture Agreement have the same meaning in this Master Certificate of Indebtedness, except where otherwise defined herein, and except where the context requires otherwise.

By virtue of this Master Certificate of Indebtedness, the Issuer hereby unconditionally promises to pay the Bondholders, or their successors or assignees, the sum of Three Billion Pesos (₱3,000,000,000.00) being One Hundred Percent (100%) of the face value of the Bonds or at par on the Maturity Date or such earlier date as the Bonds may become payable in accordance with the Terms and Conditions.

The Bonds will bear interest at the rate of 5.7524 percent (5.7524%) per annum commencing on 24 February 2022 and the last past payment shall fall on 24 February 2027, such date being the Maturity Date for the Bonds, and interest will be payable on each Interest Payment Date, subject to and in accordance with the Terms and Conditions.

This Master Certificate of Indebtedness shall be governed by and construed in accordance with the laws of the Republic of the Philippines. The courts of Makati City, to the exclusion of all other courts, is to have jurisdiction to settle any disputes that may arise out of or in connection with this Bonds and the Terms and Conditions and accordingly any legal action or proceedings arising out of or in connection with this Bonds or the Terms and Conditions may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

IN WITNESS WHEREOF, the Issuer has caused this Master Certificate of Indebtedness to be duly executed in facsimile or manually by a person duly authorized on its behalf on [●] , 2022.

CENTURY PROPERTIES GROUP, INC.

By:

Name: [●]

Position: Authorized Signatories

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF) S. S.

BEFORE ME, a Notary Public for and in the above jurisdiction, personally appeared:

Name	Passport No.	Issued At/Expiring On
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known to me and by me known to be the same person who executed the foregoing Master Certificate of Indebtedness which he/she acknowledged to me as his/her own free and voluntary act and deed as well as of the corporation he/she represents.

WITNESS MY HAND AND SEAL on the date and at the place first above-written.

Doc. No. ____;

Page No. ____;

Book No. ____;

Series of 2022.

[Terms and Conditions to be Appended on Reverse]