

Philippine Stock Exchange index (PSEi)

7,458.99 ▲ 97.34 PTS. ▲ 1.32%

WEDNESDAY, FEBRUARY 2, 2022
BusinessWorld

PSEI MEMBER STOCKS

| | | | | | | | | | |
|----------------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------|-------------------------------------------------------------------------|
| AC Ayala Corp. P878.00 +P8.00 +0.92% | ACEN AC Energy Corp. P9.50 -P0.04 -0.42% | AEV Aboltiz Equity Ventures, Inc. P62.50 -P0.50 -0.79% | AGI Alliance Global Group, Inc. P12.86 +P0.06 +0.47% | ALI Ayala Land, Inc. P37.00 +P1.10 +3.06% | AP Aboltiz Power Corp. P34.20 -P1.10 -3.12% | BDO BDO Unibank, Inc. P139.70 +P4.70 +3.48% | BLOOM Blossom Resorts Corp. P6.38 +P0.11 +1.75% | BPI Bank of the Philippine Islands P100.60 +P2.50 +2.55% | CNVRG Converge ICT Solutions, Inc. P30.50 -P0.15 -0.49% |
| GLO Globe Telecom, Inc. P3,170.00 +P60.00 +1.93% | GTCAP GT Capital Holdings, Inc. P583.50 +P13.50 +2.37% | ICT International Container Terminal Services, Inc. P200.20 +P0.20 +0.10% | JFC Jollibee Foods Corp. P244.40 +P4.40 +1.83% | JGS JG Summit Holdings, Inc. P61.50 -P1.00 -1.60% | LTG LT Group, Inc. P9.90 -P0.10 -1.00% | MBT Metropolitan Bank & Trust Co. P59.55 +P0.65 +1.10% | MEG Megaworld Corp. P3.17 +P0.08 +2.59% | MER Manila Electric Co. P329.20 -P5.80 -1.73% | MPI Metro Pacific Investments Corp. P3.90 +P0.05 +1.30% |
| PGOLD Puregold Price Club, Inc. P36.75 -P0.35 -0.94% | RLC Robinsons Land Corp. P19.20 +P0.90 +4.92% | RRHI Robinsons Retail Holdings, Inc. P57.20 +P0.80 +1.42% | SECB Security Bank Corp. P110.00 +P2.80 +2.61% | SM SM Investments Corp. P965.00 +P16.00 +1.69% | SMC San Miguel Corp. P110.00 -P2.50 -2.22% | SMPH SM Prime Holdings, Inc. P36.20 +P1.10 +3.13% | TEL PLDT, Inc. P1,860.00 +P26.00 +1.42% | URC Universal Robina Corp. P127.00 --- | WLCON Wilcon Depot, Inc. P29.50 -P0.50 -1.67% |

CREIT kicks off offer period for P6.4-billion IPO

By Keren Concepcion G. Valmonte Reporter

CITICORE Energy REIT Corp. (CREIT) started the offer period for its P6.4-billion initial public offering (IPO) on Wednesday after securing a permit to sell from the Securities and Exchange Commission (SEC).

CREIT is sponsored by Citicore Renewable Energy Corp. It will be the country's first energy-focused real estate investment trust (REIT), following five REIT listings with office-leasing portfolios.

"While primarily the asset portfolio of the REIT consists of solar plants, it is open to look at other renewable technologies," CREIT President and Chief Executive Officer Oliver Y. Tan said during an investors' briefing on Wednesday, adding that the company already started constructing a run-of-river hydro project.

Proceeds from the offer will be used to acquire properties in Bulacan and South Cotabato.

The company currently has five properties in its portfolio — the Clark solar power plant, Armenia property, Toledo property, Silay property, and the Dalayap Property. CREIT leases

these properties to the Citicore group.

"The Lessees operate solar power plants on the Leased Properties with a total combined installed capacity of 123.7MWpDC (megawatt-peak direct current)," CREIT said in its final prospectus dated Jan. 27, 2022.

Philstocks Financial, Inc. noted that the company's lessees might benefit from the Philippines' renewable energy road map.

"CREIT's growth is seen to depend on the country's renewable energy sector which is, in turn, seen to have bright prospects as the local economy's recovery and next growth phase is expected to

require more energy while supply remains tight," Philstocks Financial said in a report.

The company will be selling to the public over 2.18 billion common shares at an offer price of P2.55 apiece, a 19% discount from the P3.15 ceiling it set. The company said it set its IPO price "more reasonably" to attract a wider investor base.

"The Company believes that a more affordable pricing will allow a broader set of investors to participate in CREIT's value proposition, especially since these individuals and institutions will be our long-term partners," Mr. Tan said in a statement on Wednesday.

"What we want to offer in CREIT is a sustainable investment in various aspects — economical (for the investor), social (for the communities), and environmental (towards a zero-carbon future)," he added.

With the P2.55 tag, the company's implied dividend yields based on its projected earnings stand at 7% for 2022 and 7.4% for 2023.

"This is higher than its peers' average of 5.76% based on their offer prices. Unlike other office-leasing REITs, CREIT enjoys guaranteed lease income throughout its lessees' term," Philstocks Financial said.

CREIT has a base offer of 2,181,819,000 and an overallot-

ment option of up to 327,273,000 common shares. Should the overallotment option be fully-exercised, the company's public float post-IPO would stand at 38.3%.

The company's offer period will last until next week Tuesday, Feb. 8. Its listing on the main board of the Philippine Stock Exchange is scheduled on Feb. 17, under the ticker symbol "CREIT."

CREIT engaged Unicapital, Inc., BDO Capital and Investment Corp., PNB Capital and Investment Corp., Investment & Capital Corp. of the Philippines, CLSA Ltd., and CIMB Investment Bank Bhd to be part of the transaction's underwriting syndicate.

ACEN to buy 49% stake in Vietnam solar energy platform

A UNIT of AC Energy Corp. (ACEN) is acquiring a 49% interest in the Vietnamese solar energy platform of a Thai company ahead of their plan to build solar power plants across Southeast Asia.

In a stock exchange disclosure on Wednesday, ACEN said its subsidiary in Vietnam and a unit of Thailand's Super Energy Corp. Plc. Co. Ltd. are to form a "strategic partnership to develop, own and operate renewable energy projects across the Association of Southeast Asian Nations (ASEAN)."

AC Energy Vietnam Investments Pte. Ltd. (ACEV) forged a share purchase agreement to acquire a 49% interest in Solar NT, which is a solar energy platform owned by the Thai firm's subsidiary Super Energy Group (Hong Kong) Co., Ltd.

"The transaction will be via secondary shares acquisition for a total consid-

eration of US\$165 million," ACEN said in the disclosure.

"Post-restructuring, Solar NT will own and operate nine solar power plants across Vietnam with a total capacity of approximately 837 megawatts (MW)," it added.

It described the transaction as the beginning of a strategic partnership, which it said would "continue to expand their renewable footprints in Vietnam as well as exploring other Southeast Asian markets."

Eric T. Francia, ACEN president and chief executive officer, said the company's new partner "has accomplished a lot in Vietnam, and we wish to support its solar expansion in Vietnam and beyond through our partnership."

"This will help accelerate ACEN's aggressive renewables expansion across the region," he added.

ACEN said its latest investment will expand its international portfolio to more than 1,900 MW, of which more than 1,000 MW are in Vietnam.

Patrice R. Clause, ACEV director and head of ACEN's international group, said the deal "reinforces ACEN's position as a pioneer player in the ASEAN renewable market. ACEN is committed to supporting the energy transition in the region. This helps create more sustainable jobs as we expand our operational portfolio, which brings us closer to achieving our goal to become the largest listed renewables platform in Southeast Asia."

ACEN quoted Jormsup Lochaya, chairman and chief executive of Super Energy Corp., as saying that the company "has an objective to form a strategic partnership in order to join forces in joint investment and solar energy

power plant business development in ASEAN."

The official also said that the partnership would boost the company's capacity "for growth through synergies and supports from the strategic partner in many areas, including capital, personnel, technology and networks for additional investment opportunities in the future."

ACEN has more than 3,000 MW of attributable capacity in the Philippines, Vietnam, Indonesia, India, and Australia. Of this capacity, the share of renewable energy is about 80%.

The Ayala-led company is targeting to become the biggest listed energy platform in Southeast Asia as it eyes to put up 5,000 MW of renewable energy capacity by 2025.

ACEN's shares on Wednesday dropped four centavos or 0.42% to close at P9.50 apiece. — **M.C. Lucenio**

Ayala Land to use new properties for office portfolio, socialized housing

AYALA Land, Inc. (ALI) plans to use new assets from its property-for-share swap with parent Ayala Corp. (AC) and Mermac, Inc. to expand its office portfolio and to develop more residential projects.

In a disclosure to the exchange on Wednesday, ALI said it plans to use two of the five properties for residential projects.

ALI is looking to use AC's Honda Pasig property spanning 6,019 square meters (sq.m.) for a residential project under the company's Avida brand.

Meanwhile, the 117,389-sq.m. Calauan property will be used to expand the company's socialized housing presence in Southern Luzon through its BellaVita brand.

AC and Mermac's office units and parking slots at Tower One in Makati City, which total 5,162 sq.m., will be used as is. The company said this would "increase ALI's prime office portfolio and market share in Makati CBD (central business district)."

ALI is also getting AC's 50% stake in Ayala Hotels, Inc., which owns the Manila Peninsula property and was ALI's partner in Ayala Land Premier's Park Central Tower's Project.

"The Manila Peninsula property is envisioned to become a prime development opportunity in Makati CBD," ALI said.

Under the deal, ALI will also acquire AC's 100% stake in Darong Agricultural Corp., which has land assets in Davao del Sur and three more land plots within the same area. ALI will "retain [its] current use as a cattle farm while expanding ALI's strategic land bank in Davao." — **Keren Concepcion G. Valmonte**

FULL STORY



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San Miguel unit offers best rate for Meralco's 170-MW requirement

MANILA Electric Co. (Meralco) said on Wednesday that a unit of San Miguel Corp. submitted the best offer to supply the distribution utility's requirement of 170 megawatts (MW) for summer.

In a media release, Meralco said San Miguel's South Premier Power Corp. (SPPC) offered P6.8198 per kilowatt hour (kWh), lower than the P7.2989 per kWh total delivered headline reserve price, or the rate which includes value-added tax and other charges.

The bid submission was held on Feb. 2 through a competitive selection process (CSP), the mandated open and transparent manner in arriving at the least cost of electricity.

Jose Ronald V. Valles, head of Meralco's regulatory management office, said upon the issuance of a notice of award, the company will enter into a power supply agreement (PSA)

with SPPC for submission to the Energy Regulatory Commission.

"This PSA will help ensure availability of supply, which is especially critical in the upcoming dry months and the National and Local Elections," he said.

Publicly listed Meralco disclosed that Global Business Power Corp. — through its subsidiaries Panay Energy Development Corp., Toledo Power Co., and Panay Power Co. — also submitted an offer of P9.7777 per kWh, which exceeds the set reserve price.

Meralco, the country's largest power seller, said the findings of the third-party bids and awards committee (TPBAC) overseeing the CSP were based on a pass/fail assessment of the qualification documents for completeness. It will now conduct a post-qualification evaluation prior to the issuance of the notice of award. — **Marielle C. Lucenio**

FULL STORY



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8990 Holdings eyes 15% revenue growth to P23B

8990 Holdings, Inc. aims to generate P23 billion in gross revenues this year, a 15% growth target after seeing robust demand in recent years.

In a statement on Wednesday, the company said its growth target can be supported by its robust land bank of 729.05 hectares in "strategic areas" across the country.

8990 President and Chief Executive Officer Anthony Vincent S. Sotto said the company saw a "strong demand for affordable housing" in 2021, logging P20 billion in unaudited gross revenues. The past year also showed its buyers' optimism in the economy and confidence "in the stability of their future revenue streams."

In terms of sales, majority or 59% are attributed to its horizontal developments and 41% are from vertical projects. The company said it delivered 11,564 homes in 2021, 55% of the units are from mass housing or horizontal projects and 45% from vertical projects.

8990 Holdings' P20-billion topline in 2021 already beat its pre-pandemic 2019 revenues, rising 30% from P15.4 billion. It is also 41% higher compared with its audited 2020 revenues of P14.2 billion.

The company also noted that when super Typhoon Odette hit the Visayas region last year, only 10% of its built structures were affected.

"At 8990, we are proud of our team's fast response to the super typhoon, to continuously implement measures that will protect our clients' biggest life investment — their home," Mr. Sotto said.

The company believes that its target market of first-time homebuyers is "well on the way to recovery." 8990 Holdings aims to log P23 billion in gross revenues this year, to complement its sales target of logging P164 billion within the next seven to eight years.

Shares of 8990 Holdings on Wednesday declined 1.09% or 12 centavos to close at P10.92 each. — **Keren Concepcion G. Valmonte**

Mapúa University, Malayan Colleges open digital college

MAPÚA University and its subsidiary Malayan Colleges Laguna announced on Monday that their newly established digital college will begin operations in the upcoming school year 2022-2023, with the goal of making education "accessible, affordable, and flexible."

The technology and business-focused Mapúa Malayan Digital College (MMDC) is a new college "under the Malayan Colleges Laguna," said Dodjie S. Maestrecampo, president of Malayan Colleges Laguna and Malayan Colleges Mindanao, during a virtual briefing.

"We will now have six colleges under the Malayan Colleges Laguna, so this is the sixth college," he added. This means that MMDC graduates will get their diplomas from the Malayan Colleges Laguna.

The new college will offer "affordable" digital-first education through a combination of online and offline experiences "designed for the modern Filipino student," the MMDC said in an e-mailed statement.

Derrick Latreille, chief learning officer of MMDC and co-founder of Ayala Education, said: "We've determined critical factors for students and parents when deciding to choose a college: the reputation of the school, close proximity to their homes, affordability, and an experience that will help them get the career they want."

"Mapúa Malayan Digital College will be fulfilling all these through its unique student experience," he added.

Citing the findings of its own study, MMDC said available courses, tuition fees, and school reputation rank highest in terms of students' priorities in choosing a college.

"While students are becoming more open to the combination of online and face-to-face learning, they still continue to value community and opportunities for socialization," it also noted.

MMDC's information technology curriculum covers data analytics, software development, network, and cybersecurity.

Specializations in the business administration major include marketing management, operations management, and human resource management.

There will also be "learning hubs" for student collaboration.

"MMDC will provide modern collaboration spaces where students can meet, do focused work, collaborate on group projects, organize clubs, and more," the college said.

Its first two learning hubs will be located at Ayala Malls Cloverleaf in Quezon City and Ayala Malls Capitol Central in Bacolod City.

The college also said its required class meeting times clock in at approximately 7.5 hours a week of synchronous learning, made available with both early and late day schedules.

"This gives students more control of their time and allows them to balance academics, hobbies, family life, and social life. This setup also allows flexibility for the working adult who wants to complete their college degree," it added.

It is offering a pioneer scholarship in which the first 750 enrolled students will receive a tuition fee discount of up to P20,000. With this partial discount, a full year's enrollment can be as low as P58,000. Slot reservation begins on March 1, 2022. — **Arjay L. Balinbin**