

## Philippine Stock Exchange index (PSEi)

7,134.36

▲ 9.52 PTS.

▲ 0.13%

MONDAY, MARCH 28, 2022

BusinessWorld

## PSEI MEMBER STOCKS

<b>AC</b> Ayala Corp. P806.00 -P11.50 -1.41%	<b>ACEN</b> AC Energy Corp. P8.38 +P0.08 +0.96%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P59.10 +P0.15 +0.25%	<b>AGI</b> Alliance Global Group, Inc. P12.48 -P0.42 -3.26%	<b>ALI</b> Ayala Land, Inc. P36.00 ---	<b>AP</b> Aboitiz Power Corp. P35.50 -P0.05 -0.14%	<b>BDO</b> BDO Unibank, Inc. P131.60 -P0.90 -0.68%	<b>BPI</b> Bank of the Philippine Islands P100.00 +P0.10 +0.10%	<b>CNVRG</b> Converge ICT Solutions, Inc. P28.50 ---	<b>EMP</b> Emperador, Inc. P14.56 -P0.08 -0.55%
<b>GLO</b> Globe Telecom, Inc. P2,622.00 -P16.00 -0.61%	<b>GTCAP</b> GT Capital Holdings, Inc. P528.00 +P21.50 +4.24%	<b>ICT</b> International Container Terminal Services, Inc. P218.00 -P6.00 -2.68%	<b>JFC</b> Jollibee Foods Corp. P219.80 +P5.80 +2.71%	<b>JGS</b> JG Summit Holdings, Inc. P59.95 +P1.95 +3.36%	<b>LTG</b> LT Group, Inc. P8.78 -P0.12 -1.35%	<b>MBT</b> Metropolitan Bank & Trust Co. P54.40 -P0.15 -0.27%	<b>MEG</b> Megaworld Corp. P3.01 -P0.04 -1.31%	<b>MER</b> Manila Electric Co. P373.20 +P4.20 +1.14%	<b>MONDE</b> Monde Nissin Corp. P13.50 ---
<b>MPI</b> Metro Pacific Investments Corp. P3.79 +P0.01 +0.26%	<b>PGOLD</b> Puregold Price Club, Inc. P34.70 +P1.75 +5.31%	<b>RLC</b> Robinsons Land Corp. P20.40 +P0.40 +2.00%	<b>SECB</b> Security Bank Corp. P111.40 +P2.40 +2.20%	<b>SM</b> SM Investments Corp. P900.00 +P3.00 +0.33%	<b>SMC</b> San Miguel Corp. P111.00 +P1.00 +0.91%	<b>SMPH</b> SM Prime Holdings, Inc. P37.50 -P0.20 -0.53%	<b>TEL</b> PLDT, Inc. P1,870.00 +P20.00 +1.08%	<b>URC</b> Universal Robina Corp. P118.20 +P1.20 +1.03%	<b>WLCON</b> Wilcon Depot, Inc. P26.20 -P0.10 -0.38%

## Villar-led VistaREIT files P9-billion shares offer

THE Securities and Exchange Commission announced on Monday that it received the registration statement of VistaREIT, Inc. for an initial public offering of P9.18-billion shares on the main board of the stock exchange.

The offering will have around 3.34 billion secondary common shares at an offer price of up to P2.50 each, with an overallotment option of up to 333.75 million secondary common shares.

VistaREIT is the real estate investment trust of the Villar-led property company Vista Land & Lifescapes, Inc.

VistaREIT's prospectus states that in accordance with the REIT Law's implementing rules and regulations, the proceeds from the offer shares may be reinvested in income-generating assets in the Philippines within one year from receipt.

Pending the use of proceeds, the selling shareholders may

invest the net proceeds in short-term liquid investments including but not limited to short-term government securities, bank deposits and money market placements, which are expected to earn interest at prevailing market rates subject to compliance with and as permitted by the REIT Law.

The company tapped BDO Capital & Investment Corp., China Bank Capital Corp., PNB Capital Investment Corp., RCBC

Capital Corp., and SB Capital Investment Corp. as joint lead underwriters and bookrunners for the transaction, with Abacus Capital & Investment Corp. as a participating underwriter.

"VistaREIT is envisioned to be the flagship office and mall REIT of Vista Land, one of the country's largest integrated real estate developers, and aims to be among the leading diversified commercial REITs in the Philip-

pin in terms of portfolio, profitability, growth, sustainability, and dividend yield," according to the prospectus.

The real estate trust company owns and leases a portfolio of 10 community malls and two office buildings, together with mall properties, with an aggregate gross leasable area of 256 million square meters.

"The principal investment mandate and strategy of Vista-

REIT is to invest on a long-term basis, in a diversified portfolio of income-generating commercial real estate assets strategically located within Vista Land's integrated developments or in key urban areas. We aim to maintain high occupancy rates and quality tenants with particular focus on those offering essential goods and/or services," the prospectus read. — **Luisa Maria Jacinta C. Jocsion**

## ACEN, CleanTech to build 133-MW Cagayan solar plant

AC ENERGY Corp. (ACEN) on Monday announced it had finalized forming a joint venture company with its subsidiary ACE Endeavor, Inc. and CleanTech Renewable Energy 4 Corp. to build a 133-megawatt (MW) solar project.

The joint venture company Natures Renewable Energy Development Corp. (Naredco) will develop, own, and operate the solar plant and transmission line in Lal-lo, Cagayan by the second quarter of this year.

Naredco will construct the solar farm and transmission line in a 115-hectare

land in Brgy. Magapit and Brgy. Sta. Maria, which will connect to the 69-kilovolt Lal-lo substation through a 3-kilometer transmission line by the second quarter of this year.

"We are delighted to be working with CleanTech to help accelerate our country's shift to a low carbon economy and add more renewables capacity to our existing 3,300 MW," said ACEN Chief Development Officer Jose Maria P. Zabaleta in a statement.

In December, ACEN and ACE Endeavor bought the 60% stake in Naredco, leaving

CleanTech with a 40% stake in the renewable energy development company.

"There is much work to be done, but step by step and together with our partners, we will lead the way towards a sustainable future," Salvador Antonio R. Castro, Jr., president and chief executive officer of CleanTech.

The projects are being eyed to be operational by early next year. Once completed, it is expected to produce 188 gigawatt-hours of renewable energy every year, enough to power 75,000 households while avoiding approximately

112,405 metric tons of carbon dioxide emissions annually.

ACEN aims to become the biggest listed energy platform in Southeast Asia as it plans to put up 5,000 MW of renewable energy capacity by 2025.

In 2021, along with the Ayala group, it also committed to achieve net zero — the balance between the greenhouse gas it produces and what it removes — by 2050.

Shares in ACEN at the local bourse went up by 8 centavos or 0.96% to close at P8.38 apiece on Monday. — **Marielle C. Lucenio**

## Pilipinas Shell swings to profit with nearly P4-billion net income

PILIPINAS Shell Petroleum Corp. on Monday announced that its net income for 2021 jumped to P3.85 billion, bouncing back from its P16.18-billion loss in the previous year, on the back of "sustained network growth."

In a disclosure to the exchange, the listed oil firm logged P2.3 billion in core earnings, or nearly eight times higher than the previous year's P300 million.

It also maintained a P1.8-billion operational cash flow as it continues "to sustain proactive management of costs, working capital and cash inflows."

"Our strategy of powering progress for the Philippines is working, despite the challenges brought by an unprecedented global health crisis and the lockdowns it triggered," Pilipinas Shell President and Chief Executive Officer Lorelie Quiambao-Osial said in a statement.

"It has enabled us to remain agile and resilient throughout the challenging period, placing us in a good position for today's recovery. We remain firm in our commitment to serve the public who are rediscovering the joys of mobility," she added.

Pilipinas Shell said that its fuel marketing volumes began to go up when the government has lifted the coronavirus disease 2019 (COVID-19) lockdown and became more aggressive with its vaccination drives.

In a separate disclosure, the firm said it recorded a 12.9% increase in net sales to P17.72 billion from 2020's P15.7 billion.

In terms of volume among its segments, its lubricant business remained to be its main growth driver with a 30% increase. Bitumen sales followed with a 12% growth. The company is the only bitumen or asphalt producer in the country.

Ms. Quiambao-Osial said she hopes that "marketing volumes continue to improve as more people get fully vaccinated, feel safer and get back on the road."

In September 2021, Pilipinas Shell opened its first "Site of the Future" in Silang, Cavite, a mobile station that provides fuel and other products and services. It was followed by 42 other new stations.

The presence of some 70 popular Filipino restaurants and lifestyle brands in these stations provides Pilipinas Shell customers a wide variety of non-fuel-retail (NFR) products, the company said.

A double-digit growth across its NFR segment — including 187 Shell Select stores; 224 Select Express stores; 75 Deli2Go kiosks; 455 lube bays; and 370 Shell Helix centers — was recorded as its profitability reached pre-pandemic levels.

At the local bourse, shares in the oil company on Monday went up by 30 centavos or 1.69% to close P18 apiece. — **Marielle C. Lucenio**

## Megawide execs submit motion to quash anti-dummy case

MEGAWIDE Construction Corp. said its directors and officers in the Anti-Dummy Law violation case, in connection with the operation of the Mactan-Cebu International Airport (MCIA), pleaded "not guilty" on Monday.

The company also said that the respondents had filed a motion to quash the case, citing the newly signed Republic Act No. 11659, or the Amended Public Service Act.

"During the 28 March 2022 hearing for the arraignment of the private respondents in the case pending before the RTC (Regional Trial Court of Lapu-Lapu City), the Megawide respondents entered a plea of 'not guilty' to the alleged violation of the Anti-Dummy Law," the company said in a disclosure to the stock exchange.

"Notwithstanding this arraignment, the Megawide respondents recently filed a motion to quash stating that the information does not allege an offense, given that the signing into law of Republic Act No. 11659, otherwise known as the Amended Public Service Act (PSA), has rendered the legal issue at hand moot and academic," it added.

The amended law excludes telecommunications, domestic shipping, railways and subways, airlines, expressways and tollways, and airports from the definition of a public utility. This means they will no longer be subject to the 40% foreign ownership cap for public utilities under the Constitution.

Megawide said the joint resolution issued by the Office of the Ombudsman in July last year "found probable cause" against its directors and officers, who are also directors of GMR Megawide Cebu Airport Corp. (GMCAC), operator of MCIA, "who all allegedly acted in conspiracy with one another, for violation of Section 3(e) of Republic Act No. 3019 or the Anti-Graft and Corrupt Practices Act."

Megawide and GMCAC officers involved in the case are Manuel Louie B. Ferrer, Edgar B. Saavedra, Oliver Y. Tan, Jez Dela Cruz, Srinivas Bommidala, P. Sripathy, Vivek Singhai, Andrew Acquaa-Harrison, Ravi Bhatnagar, Ravishankar

Saravu, Michael Lenane, Sudarshan MD, Kumar Gaurav, Magesh Nambiar, and Rajesh Mandan.

Mr. Saavedra is Megawide's president and chief executive officer, while Mr. Ferrer serves as executive director of infrastructure development and chief corporate affairs and branding officer of the company.

Steve Y. Dicdican, the general manager and chief executive officer of the Mactan Cebu International Airport Authority, is the only public respondent in the case.

"The respondents allegedly acted with a common purpose and intention to allow foreign nationals to perform executive functions, particularly to manage and operate the Mactan Cebu International Airport in violation of the Anti-Dummy Law," Megawide said, referring to the Office of the Ombudsman's joint resolution.

"The Megawide respondents filed a petition for review with the Department of Justice assailing the finding of probable cause. Megawide, its directors, and officers maintain that they exercise good corporate governance and adhere to all applicable laws, rules, and regulations in all its dealings," the company added.

Megawide noted that the RTC had issued warrants of arrest against the respondents despite filing an omnibus motion with the RTC seeking "judicial determination of probable cause; quashal of the warrant of arrest if issued or if unissued, defer issuance; and dismissal of the case for lack of probable cause and due process."

The company said the RTC gave the public prosecutor a period of 10 days from the hearing date to file their comment or opposition to the motion to quash filed by the respondents.

"Thereafter, counsel for the Megawide respondents was given a period of five days from receipt of the comment or opposition to file a reply. The hearing for the motion to quash is set on April 25, 2022," it added.

Justice Secretary Menardo I. Guevarra declined to comment on the Megawide respondents' use of the amended PSA in their motion to quash. — **Arjay L. Balinbin**

## JFC says audited income slightly higher last year

FOOD SERVICE company Jollibee Foods Corp. (JFC) reported on Monday an audited net income of P5.98 billion attributable to equity holders, or 0.67% higher than the P5.94 billion it announced last month.

"The minor difference is due to adjustments resulting from the year-end audit," it said in a press release.

Last year's income marked a return to profitability for the restaurant operator, which recorded a net loss of P11.51 billion in 2020.

JFC said its positive performance was due to cost savings generated from a business transformation program implemented in 2020 and the continuing strong cost and profit management last year.

"JFC's operating income decreased slightly by 0.7% to P6.3 billion compared to the operating income disclosed in February 2022. The difference is due to additional leases from recently opened new stores in 2021 not yet considered in the unaudited financial statements for purposes of accounting for leases under PFRS-16," the company said in a disclosure on Monday.

JFC said its system-wide sales and revenues were the same as previously disclosed in February.

Compared to the unaudited consolidated balance sheet, total assets increased by 1.3% due to a P3.3-billion increase in

right-of-use assets (ROU), particularly for foreign business. Total liabilities increased by 2.1% or P2.8 billion due to increase in lease liabilities of the foreign business relative to the increase in ROU assets.

JFC's operating income of P6.3 billion is a turnaround from the operating loss of P12.8 billion for 2020 and about the same level as 2019 or pre-pandemic operating income of P6.5 billion.

Earnings before interest expense, taxes, depreciation and amortization (EBITDA), an approximation of cash flow from operations, improved to P23.6 billion in 2021 from P4.8 billion in 2020.

JFC has 18 brands operating in 34 countries, with a total store network of 5,961 outlets as of February 2022. Of this, 3,220 stores are in the Philippines and 2,741 are abroad.

The company's principal business is the development, operation and franchising of quick service restaurants under the trade names: Jollibee, Chowking, Greenwich, Red Ribbon, Yong He King, Hong Zhuang Yua, Mang Inasal, Burger King, Highlands Coffee, PHO24, Hard Rock Cafe, Dunkin' Donuts, Smashburger, Tim Ho Wan, Tortas Frontera, The Coffee Bean & Tea Leaf, and Panda Express.

At the local bourse, JFC shares were up by 2.71% or P5.80 to close at P219.80 on Monday. — **Luisa Maria Jacinta C. Jocsion**

## PHL AirAsia expects over 235,000 guests at NAIA T4

LOW-COST carrier Philippines AirAsia, Inc. on Monday said it anticipates to exceed the 235,000 passengers expected to depart and arrive at the Ninoy Aquino International Airport (NAIA) Terminal 4 (T4) in the first two months of the resumption of the terminal's operations, citing the Holy Week and summer exodus.

"Around 235,000 AirAsia Philippines guests are expected to depart and arrive at NAIA T4," the low-cost airline said in an e-mailed statement on Monday.

The airline also "anticipates this figure to increase given the Holy Week

and summer exodus which starts next week," it added.

The return of domestic operations to NAIA Terminal 4, which was closed for two years due to the pandemic, is "a strategic move in managing the expected influx of passengers at Terminal 3 in the coming months," according to Ricardo P. Isla, Philippines AirAsia chief executive officer.

"This will optimize overall airline operations from check-in to boarding, helping airlines to significantly improve on-time performance," he added.

All Philippines AirAsia domestic flights to and from Manila will now operate at NAIA Terminal 4, while all its international flights will remain at NAIA Terminal 3.

Mr. Isla said the airline has been preparing for months to handle increased passenger volume.

"Foot traffic of passengers at T4 is expected to benefit not only the local industries of their destination, but also small and medium enterprises around T4 such as restaurants, convenience stores and travel & tour agencies," the company said. — **Arjay L. Balinbin**