

Philippine Stock Exchange index (PSEi)

6,586.01

▲19.62 PTS.

▲0.29%

TUESDAY, JANUARY 3, 2023

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P687.50 -P7.50 -1.08%	ACEN ACEN Corp. P7.99 +P0.37 +4.86%	AEV Abotiz Equity Ventures, Inc. P57.70 ---	AGI Alliance Global Group, Inc. P11.96 +P0.06 +0.50%	ALI Ayala Land, Inc. P30.40 -P0.40 -1.30%	AP Aboltiz Power Corp. P35.25 +P1.20 +3.52%	BDO BDO Unibank, Inc. P107.90 +P2.20 +2.08%	BPI Bank of the Philippine Islands P98.00 -P4.00 -3.92%	CNVRG Converge ICT Solutions, Inc. P15.46 -P0.42 -2.64%	EMI Emperador, Inc. P20.60 ---
GLO Globe Telecom, Inc. P2,220.00 +P40.00 +1.83%	GTCAP GT Capital Holdings, Inc. P438.80 +P3.80 +0.87%	ICT International Container Terminal Services, Inc. P198.00 -P2.00 -1.00%	JFC Jollibee Foods Corp. P236.00 +P6.00 +2.61%	JGS JG Summit Holdings, Inc. P52.00 +P1.70 +3.38%	LTG LT Group, Inc. P9.29 +P0.09 +0.98%	MBT Metropolitan Bank & Trust Co. P55.30 +P1.30 +2.41%	MEG Megaworld Corp. P2.05 +P0.05 +2.50%	MER Manila Electric Co. P301.80 +P3.00 +1.00%	MONDE Monde Nissin Corp. P11.92 +P0.84 +7.58%
MPI Metro Pacific Investments Corp. P3.48 +P0.06 +1.75%	PGOLD Puregold Price Club, Inc. P34.80 -P0.10 -0.29%	RLC Robinsons Land Corp. P14.86 -P0.10 -0.67%	SCC Semirara Mining and Power Corp. P34.85 +P0.35 +1.01%	SM SM Investments Corp. P900.00 ---	SMC San Miguel Corp. P93.00 +P0.05 +0.05%	SMPH SM Prime Holdings, Inc. P35.05 -P0.45 -1.27%	TEL PLDT, Inc. P1,355.00 +P38.00 +2.89%	URC Universal Robina Corp. P134.90 -P1.10 -0.81%	WLCON Wilcon Depot, Inc. P29.60 +P0.10 +0.34%

DDMP REIT targets new tenants from more sectors

DDMP REIT, Inc. (DDMPR) is looking to diversify its tenant mix in the next three years as it banks on its properties' prime location and new locators, which include government offices.

"As new industries come, it is an opportune time for DDMPR to further diversify its tenancy mix across various industries," the listed real estate investment trust sponsored by DoubleDragon Properties Corp. said in its three-year investment strategy.

The target tenants include those coming from the banking, insurance, financial services, technology, media, and service sectors as well as government agencies.

Among the company's investment objectives is to achieve sustainable growth in distribution and returns through contracted escalation rates, cost-efficient operation, and augmented growth through acquisitions.

DDMPR will stick to giving long-term fixed rent contracts with its major

tenants, which can provide the company with a stable income. Typical office lease terms will be fixed for three to 10 years.

Meanwhile, it aims to achieve organic growth through rental escalations, which will be in the range of 3-5% from contracted leases. The company said it is focusing on merits in terms of cash flow returns, stability, and the potential for long-term capital appreciation.

In its three-year investment strategy, the company's occupancy rate has been placed at 92.55%, with the occupancy rate of its DoubleDragon Center East at 100%. Its three properties have a total of 172,252 square meters of total gross leasable area (GLA). It also has retail components in DD Meridian Park.

In 2023, the company expects the lease of 35.89% of its total GLA to expire, while in 2024 and 2025, up to 17.6% and

9.42% of leased areas are expected to expire, respectively.

As of Sept. 30, 2022, the company paid a total of P3.2 billion in dividends since its listing. It will pay an additional P482.21 million on Jan. 9 from last year's third-quarter earnings.

On the stock exchange on Tuesday, shares in DDMPR closed unchanged at P1.29 apiece. — **Justine Irish D. Tabile**

MREIT eyes 500,000-sq.m. leasable area by end-2024

MREIT, Inc. is planning to increase its gross leasable area (GLA) to 500,000 square meters (sq.m.) by the end of next year, the real estate investment trust (REIT) of property developer Megaworld Corp. said.

The listed company is currently waiting for the conclusion of its latest property-for-share swap, which will expand its portfolio to 325,000 sq.m. The deal, announced in April 2022, will bring an additional four prime properties worth P5.3 billion.

Once done, the company expects this to cement MREIT's presence in the Fort

Bonifacio area, which it said could command one of the highest rental rates in the country. The is also looking to expand to other high-growth geographic areas such as Cebu, Bacolod, and Pampanga.

MREIT's operating statistics for nine months through Sept. 30, 2022 show a total GLA of 280,175 sq.m., while it leased a total of 266,965 sq.m.

The company achieved a 95% occupancy rate with total rents amounting to P2.05 billion, with its office segment accounting for 251,701 sq.m. of the total leased area.

"Diversification plans include investment in other types of real estate properties, to include industrial, logistics, warehouse, and other real property sectors that meet the company's investment criteria," MREIT said.

Properties that the company will be infusing into its portfolio must be Grade A, centrally located, stably occupied, and income producing.

In its three-year investment strategy, the company is aiming to achieve an annual total shareholder return of at

least 10% through organic growth and acquisitions.

The unannualized total return since its initial public offering as of Nov. 29, 2022 was a negative 21.9%, while the dividend yield at share price as of the same date was 8.3%.

The listing price of MREIT was P16.10 apiece. Its share closed at P11.84 on Nov. 29, 2022.

On Tuesday, shares in MREIT declined by 24 centavos or 1.66% to P14.24 apiece. — **Justine Irish D. Tabile**

Cebu Pacific takes its ninth A320neo

CEBU PACIFIC received its ninth Airbus 320neo (new engine option) aircraft on Jan. 1 as part of the airline's fleet modernization and sustainability plans.

In a statement on Tuesday, the budget carrier said that the delivery is the first of 10 expected brand-new Airbus NEO deliveries for 2023. Other planned deliveries include A320neo, A321neo, and A330neo aircraft.

According to Cebu Pacific, the newly delivered aircraft used sustainable aviation fuel heading to the Ninoy Aquino International Airport in Manila from the Airbus Hamburg facility in Germany.

"This sustainable aviation fuel (SAF)-powered aircraft delivery supports our sustainability strategy in shifting to a more fuel-efficient NEO fleet by 2028. We will continue prioritizing our sustainability journey as we maintain our position as the greenest airline in Asia," Cebu Pacific Chief Strategy Officer Alex B. Reyes said.

Cebu Pacific said that SAF is a drop-in fuel, which is an interchangeable replacement for fossil fuels.

"It does not require any adaptations to the aircraft or engines and does not have any negative impact on performance or maintenance. The use of SAF results in an up to 80% reduction in carbon emissions across the SAF lifecycle," the airline said.

With the new delivery, Cebu Pacific's fleet consists of 21 A320neo, nine A320neo, seven A321neo, 10 A321neo, four A330neo, four A330neo, 14 ATR 72-600, six ATR 72-500 and two ATR Freighters.

"Cebu Pacific's sustainability goal is in line with global aviation's commitment to achieve net zero carbon emissions by 2050. The airline has made various investments that enable it to become fuel-efficient in its operations to keep fares affordable for the passengers," the airline said.

"Apart from fleet modernization, the airline's major pillars on its sustainable journey are resource optimization, which includes pushing for fuel efficiency best practices; and utilizing SAF by launching green routes by 2025," it added. — **Revin Mikhael D. Ochave**

Over half a million child abuse links blocked as of end-Nov. — PLDT group

TELECOMMUNICATIONS firm PLDT Inc. and its wireless arm Smart Communications, Inc. said that they had blocked more than 522,000 links that contain child sexual abuse materials (CSAM) as part of ongoing efforts to protect children online.

Angel T. Redoble, chief information security officer of PLDT and Smart, said during the 2022 National Cybercrime Convention that the PLDT group's child protection platform lets them block child sexual abuse materials online in support of the campaign against online sexual abuse and exploitation of children.

"Our pioneering child protection platform has allowed us to block CSAM online on the more difficult content level. By the end of November, we have prevented more than 1.3 billion attempts to open child abuse content," Mr. Redoble said.

The PLDT group also receives hashes related to CSAM as part of its membership to the United Kingdom-based Internet Watch Foundation and the Canadian Center for Child Protection's Project Arachnid. The hashes are blocked after being received by PLDT-Smart's cybersecurity operations group.

"We have adopted the children's rights and business principles framework and enacted a child safeguarding policy that now guides us in applying a child rights lens into our policies, technology solutions, and shared value partnerships, from inside our organization, and outdoors, to the communities where we operate," PLDT and Smart Chief Sustainability Officer Melissa V. Vergel de Dios said.

Cathy Y. Yang, who heads the PLDT group's corporate communications, said that a "whole-of-nation approach" is needed to solve online sexual abuse and exploitation of children.

"We work closely with key government offices as well as law enforcement agencies to come up with a comprehensive plan that not only seeks to prevent children from being victimized but, more importantly, launches impactful programs that empower communities," Ms. Yang said.

PLDT and Smart also joined WePROTECT Global Alliance, which provides global resources and links with other related organizations in efforts to protect children in cyberspace.

"PLDT and Smart actively participated in strengthening Republic Act No. 11930 or the Anti-Online Sexual Abuse or Exploitation of Children and Anti-Child Sexual Abuse or Exploitation Materials Act that was passed into law this year," they said.

They added that the group pushed for the inclusion of the "Good Samaritan" clause empowers internet service providers to immediately take down offensive materials without being held civilly, criminally or administratively liable.

"The two telcos had expressed their commitment in helping the government craft the Implementing Rules and Regulations of RA 11930," they said.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Revin Mikhael D. Ochave**

Prime Infra unit forms advisory council for Malampaya programs

PRIME Infrastructure Capital, Inc. has formed an advisory council and tapped technical experts for the exploration and development programs of the offshore Malampaya gas-to-power project.

Prime Infra through its subsidiary Prime Energy Resources Development B.V. said the new council will provide strategic and technical advice to extend the gas supply of the Malampaya gas field.

"The new advisory council will provide strategic advice and technical guidance to support me and the Board in this critical time when the company's exploration and development programs are about to commence to prolong the gas supply, which is becoming increasingly scarce," said Prime Energy General Manager Sebastian C. Quiniones, Jr. in a media release on Tuesday.

Mr. Quiniones said the board will also craft necessary measures and coordinate with authorities for the implementation of its plan.

Prime Energy holds a 45% stake in the Malampaya project, with UC38 LLC and state-led PNOC Exploration Corp. (PNOC-EC) holding 45% and 10%, respectively. They are the contractors for Service Contract 38, their agreement with the government covering the deepwater project off Palawan island.

Prime Energy said the Malampaya consortium and the Department of Energy (DoE) had agreed to the creation of the advisory council as the Malampaya gas field is expected to be depleted by 2027. It said that by 2025 to 2026, "gas exports will reach near technical minimum before new gas can be sourced."

Prime Energy said the members of the advisory panel will include Cesar A. Buenaventura,

an independent director at Pilipinas Shell Petroleum Corp., and Jose C. Ibazeta, a director of Prime Metro Power Holdings Corp. who served as president and chief executive officer of Power Assets and Liabilities Management Corp. and DoE secretary from January to May 2010.

Rufino B. Bomasang, former president and chief executive of PNOC-EC, will also be part of the council together with Antoine Bliet, former Shell project manager for the Malampaya project's second and third phases, and Jose Jerome R. Pascual III, former Shell Philippines Exploration B.V. finance director.

Prime Energy gave its assurance that it is "well equipped" to execute projects and extract gas from the reservoirs in the Malampaya project.

"The Prime Infra group supports Prime Energy in other areas such as project financing, supply chain and logistics, human resources, and government and external relations," it said, adding that its energy portfolio is aligned with the government's goal of energy security.

The Malampaya project supplies about 20% of the country's total power requirements and 27% of the Luzon grid. Five power plants with a combined capacity of 3,453 megawatts are currently supplied by its natural gas.

The Malampaya concession agreement is set to expire next year. Prime Infra earlier said that it would seek necessary measures to extend the contract.

Last month, the DoE announced that the Malampaya project is scheduled for maintenance shutdown between Feb. 4 and 18. — **Ashley Erika O. Jose**

Petron gets regulatory nod on biofuels business

PETRON CORP. has secured regulatory approval on its planned biofuels venture, the company announced on Tuesday.

In a regulatory filing, Petron said the Securities and Exchange Commission (SEC) approved an amendment to the company's articles of incorporation that will allow it to construct and operate a coco-methyl ester plant and secure relevant permits for the project.

Petron said the SEC approval will amend the company's pri-

mary purpose under its second article of incorporation, which will allow the inclusion of biofuels in its business.

The company said the amendment will allow it to "acquire, store, hold, transport, use, experiment with, market, distribute, exchange, sell and otherwise dispose of, import, export, handle, trade, and generally deal in, refine, treat, reduce, distill, manufacture, produce, and smelt, as applicable, any and all kinds of

petroleum and petroleum products, oil, gas and other volatile substances."

In August, Petron got the approval of its board of directors to include biofuels in the company's portfolio, while its stockholders, representing 75.93% of the total outstanding capital stock of the company, approved the proposed amendment in October.

Petron is the operator of the only remaining refinery in the

country that provides 40% of local petroleum requirements. Its refinery in Bataan produces 180,000 barrels per day.

It also has about 50 terminals and around 2,700 service stations where it sells gasoline and diesel. Its combined refining capacity is 268,000 barrels a day, producing fuels and petrochemicals.

At the local bourse on Tuesday, shares in the company closed 1.25% lower or P2.37 apiece. — **Ashley Erika O. Jose**