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PetroEnergy set to take EEI Power's shares in renewable energy firms

YUCHENGO-led PetroEnergy Resources Corp. has signed a share purchase agreement with EEI Power Corp. to acquire the latter's share in three renewable energy subsidiaries.

In a stock exchange disclosure, PetroEnergy said it is acquiring EEI Power's common shares in PetroGreen Energy Corp., PetroSolar Corp., and PetroWind Energy, Inc.

EEI Power is a wholly owned subsidiary of Yuchengco-led construction company EEI Corp.

"The move supports PERC's plans to focus more on renewable energy and to increase its stake in existing and planned projects, taking advantage of the emerging opportunities in the industry," PetroEnergy said. PERC is the company's stock symbol.

PetroGreen is a joint venture corporation between EEI Power and PetroEnergy. PetroWind and PetroSolar are subsidiaries of PetroGreen.

PetroEnergy said it is set to acquire EEI Power's 7.5% interest or 213.68-million common shares in PetroGreen, 44% interest or 6.99-million common shares in PetroSolar, and 20% interest or 2.87-million common shares in PetroWind upon fulfillment of all conditions for the sale.

"The transaction will monetize EPC's (EEI Power) assets and the proceeds will be used to reduce EEI's debt obligations and provide working capital as EEI gears up for additional construction business in the Philippines and abroad, further strengthening its balance sheet," EEI told the stock exchange.

After the fulfillment of all conditions of the sale, EEI Power will no longer have any interest in PetroGreen, PetroWind, and PetroSolar.

At the local bourse on Tuesday, shares in PetroEnergy closed 1.25% lower to end at P4.86 apiece, while shares in EEI closed 10.45% higher at P4.86 each. — **Ashley Erika O. Jose**

SM Prime plans launch of \$1-B mall REIT by second semester

SY-led SM Prime Holdings, Inc. is targeting to launch its first real estate investment trust (REIT) in the second half of the year from which it expects to raise \$1 billion.

"We actually intend to raise about \$1 billion," SM Prime Jeffrey C. Lim said during a media and analysts briefing on Tuesday. "Total valuation [for the REIT] will be around \$3.5 billion to \$4 billion."

Portfolio details for the REIT are ready and will initially be composed of 12 to 15 centers, he said, adding that around 30 to 35 of the company's 82 malls nationwide are fully matured, making it possible for the company to

initially transfer 12 to 15 of them to the REIT.

"We are still doing some evaluation with bankers. And we believe that the key really is the timing," Mr. Lim said.

"We want to make sure that when we launch it, it will be something that is sustainable and we can deliver our commitments," he added.

For 2023, the company is earmarking P80 billion for capital expenditure, SM Prime Chief Financial Officer John Nai Peng C. Ong said. The amount is about the same as what the company had allotted for its spending budget last year.

He said the allotted budget will "significantly" be spent on

the malls and SM Prime's residences, while around 10% will be for the firm's leisure, commercials, hotels, and convention centers.

The year's budget does not include the expenditure for the Pasay reclamation project, which will create a 360-hectare lot that will connect to the Mall of Asia Complex.

SM Prime intends to put in a \$2-billion budget for the project, with the first \$1 billion set to be used for 2023 and funded through the REIT.

"The proceeds of the REIT will be used for SM Prime's expansion project," Mr. Lim said. "Large chunk of the proceeds from the

REIT will be for the reclamation project."

In 2022, SM Prime reported a 38.1% growth in its consolidated net income to P30.1 billion from P21.8 billion a year earlier. The listed holding firm's consolidated revenues increased by 28.6% to P105.8 billion last year from the P82.3 billion recorded in 2021.

For 2023, Mr. Lim said that he expects the company's retail segment to drive revenue growth as the collection of full rental fees continues coupled with growing mall foot traffic.

On Tuesday, shares in SM Prime declined 25 centavos or 0.74% to P33.70 apiece. — **Justine Irish D. Tabile**

Phinma subsidiary to develop schools in Laguna

PHINMA Corp.'s education unit Phinma Education Holdings, Inc. is set to develop the facilities of schools in Laguna through its new initiative, the company said on Tuesday.

In a statement, the company said its campaign, TAYOTAYOLaguna: Bayani Para Sa Isa't Isa, "highlights its commitment to nurture a new batch of heroes capable of improving not just their own lives, but also the lives of their families, communities, the country, and the world through accessible quality education."

Through the initiative, Phinma Education will enhance and develop the facilities in major national high schools in Calamba and Sta. Cruz, Laguna through its newly acquired universities.

It will be conducted in partnership with Renovate to Educate (rED), a nongovernment organization.

"[rED] goal's is to enhance the educational experience of students through school renovation projects," it added.

Phinma Education, a subsidiary of publicly listed Phinma Corp., has acquired two schools located in Laguna as it seeks to expand its market reach in South Luzon, the company said.

During the launch event of its new initiative, the company said that it had acquired Union College of Laguna and Rizal College of Laguna, making them the latest addition to its education network.

"What we plan to do in Laguna is to have a network of schools. Maybe in two to five years, we can acquire our third and fourth school," Phinma Education Laguna Network Chief Operating Officer Eduardo Y. Arevalo said in a briefing.

Mr. Arevalo said that the company plans to improve the facilities and classrooms of Rizal College and Union College.

Phinma Education's Laguna unit has earmarked about P350 million for the improvement of both colleges, with subsequent development in the coming year.

The universities join other educational institutions within its network, which includes the Phinma group's Araullo University, Cagayan de Oro College, University of Iloilo, University of Pangasinan, Southwestern University, St. Jude College, Republican College in Manila and Quezon City.

The company stated in an earlier press briefing that it had expanded to Indonesia with the acquisition of two colleges in Karawang, and is eyeing other institutions in Surabaya and Bogor.

At the local bourse on Tuesday, shares in Phinma Corp. went up by 0.11% or two centavos to P18.94 apiece. — **Adrian H. Halili**

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