

## Philippine Stock Exchange index (PSEi)

6,223.73

▼ 41.41 PTS.

▼ 0.66%

THURSDAY, NOVEMBER 30, 2023  
BusinessWorld

## PSEI MEMBER STOCKS

<b>AC</b> Ayala Corp. P664.00 +P2.00 +0.3%	<b>ACEN</b> ACEN Corp. P4.80 +P0.14 +3%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P46.80 -P1.20 -2.5%	<b>AGI</b> Alliance Global Group, Inc. P9.80 -P0.26 -2.58%	<b>ALI</b> Ayala Land, Inc. P31.20 +P1.05 +3.48%	<b>BDO</b> BDO Unibank, Inc. P133.50 +P0.10 +0.07%	<b>BLOOM</b> Bloomerry Resorts Corp. P9.65 -P0.05 -0.52%	<b>BPI</b> Bank of the Philippine Islands P103.30 +P0.60 +0.58%	<b>CNPF</b> Century Pacific Food, Inc. P30.40 ---	<b>CNVRG</b> Converge ICT Solutions, Inc. P8.21 -P0.03 -0.36%
<b>DMC</b> DMCI Holdings, Inc. P9.20 -P0.01 -0.11%	<b>EMI</b> Emperador, Inc. P20.95 +P0.10 +0.48%	<b>GLO</b> Globe Telecom, Inc. P1,710.00 -P5.00 -0.29%	<b>GTCAP</b> GT Capital Holdings, Inc. P542.50 -P5.00 -0.91%	<b>ICT</b> International Container Terminal Services, Inc. P215.80 -P7.00 -3.14%	<b>JFC</b> Jollibee Foods Corp. P226.60 -P7.20 -3.08%	<b>JGS</b> JG Summit Holdings, Inc. P38.50 +P0.80 +2.12%	<b>LTG</b> LT Group, Inc. P8.85 -P0.03 -0.34%	<b>MBT</b> Metropolitan Bank & Trust Co. P49.95 -P0.90 -1.77%	<b>MER</b> Manila Electric Co. P360.00 -P14.00 -3.74%
<b>MONDE</b> Monde Nissin Corp. P8.40 +P0.37 +4.61%	<b>NIKL</b> Nickel Asia Corp. P5.05 -P0.05 -0.98%	<b>PGOLD</b> Puregold Price Club, Inc. P27.20 -P0.55 -1.98%	<b>SCC</b> Semirara Mining and Power Corp. P28.95 -P0.05 -0.17%	<b>SM</b> SM Investments Corp. P819.00 -P29.00 -3.42%	<b>SMC</b> San Miguel Corp. P108.00 ---	<b>SMPH</b> SM Prime Holdings, Inc. P32.30 -P0.20 -0.62%	<b>TEL</b> PLDT Inc. P1,288.00 +P33.00 +2.63%	<b>URC</b> Universal Robina Corp. P113.00 -P2.50 -2.16%	<b>WLCON</b> Wilcon Depot, Inc. P21.15 +P1.49 +7.58%

## Meralco starts bidding for 1,200-MW power supply

MANILA Electric Co. (Meralco) has started seeking bidders for 1,200-megawatt (MW) baseload capacity to ensure continued supply of electricity for its customers, the power distributor said on Thursday.

In a statement, the company said it is calling on interested power generation companies to participate in a competitive selection process (CSP), the government's mandatory policy requiring distribution utilities to choose the least-cost electricity supply via a competitive bid.

The deadline to submit an expression of interest is on Dec. 11,

while a pre-bid conference will be held on Dec. 18. Submission of bids is set for Jan. 23, 2024.

The 1,200-MW baseload supply seeks to replace the terminated power supply agreements (PSAs) with South Premiere Power Corp. (SPPC) covering 670 MW; San Miguel Energy Corp. — now known as Sual Power, Inc. (SPI) — covering 330 MW; and the 200-MW unsolicited proposal from Solar Philippines Batangas Baseload Corp. (SPBBC).

SPPC is the administrator of the natural gas-fired power plant in Ilijan, Batangas while SPI is the administrator of the

coal power plant in Sual, Pangasinan. The two are subsidiaries of San Miguel Global Power Holdings Corp., the power arm of San Miguel Corp. (SMC).

Meralco has a 300-MW emergency power supply agreement with SPPC, which started from March 26 until March 25, 2024.

The Department of Energy (DoE) issued a certificate of conformity on the terms of reference (TOR) for the 15-year PSAs, it said, which will be effective once approved by the Energy Regulatory Commission (ERC).

The TOR followed through the advisory released by the DoE last month, which mandated DUs to conduct CSP for power supply, sourcing a portion of the energy requirements from natural gas-fired power plants.

Meralco said power suppliers with natural gas-fired power plants "are highly encouraged to participate in the bidding."

It said the CSP, which was based on Meralco's DoE-approved power supply procurement plan, "is meant to meet the power distributor's future capacity requirements, including the 1,000 MW (net) supply that was covered by its PSAs

with change in circumstance cases that are pending resolution."

Earlier this month, Meralco also started the bidding for the 1,800-MW baseload capacity that was meant to replace the terminated PSAs with Excellent Energy Resources, Inc. (EERI) and Masinloc Power Partners Co. Ltd. (MPPCL), which were terminated earlier this year.

The ERC approved the termination after their PSA application went past the date during which it should have been approved by the regulator.

Six entities have expressed interest in participating in the

bidding, namely: GNPowr Dinginin Ltd. Co., First NatGas Power Corp., SP New Energy Corp., Mariveles Power Generation Corp., EERI, and MPPCL.

The bid submission deadline is on Dec. 26.

Meralco's controlling stakeholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Sheldeen Joy Talavera**

## Ayala Land to infuse P23-B worth of assets into AREIT

LISTED property developer Ayala Land, Inc. (ALI) is set to infuse prime commercial properties valued at P23 billion into AREIT, Inc. to bolster the latter's assets under management (AUM) next year.

In a regulatory filing on Thursday, ALI identified the assets as Ayala Triangle Gardens Tower 2 office tower located at the corner of Paseo de Roxas and Makati Ave.; luxury mall Greenbelt 3 and 5; Holiday Inn and Suites Makati at Ayala Center; and Seda Ayala Center Cebu.

AREIT said its board of directors approved the planned 2024 asset infusions into the listed real estate investment trust.

ALI and its subsidiaries Greenhaven Property Ventures, Inc. and Cebu Insular Hotel Co., Inc. will subscribe to 642.15 million AREIT primary common shares at P34 per share in exchange for the Makati and Cebu properties valued at P21.8 billion. The transaction is subject to the approval of AREIT shareholders during a special stockholders' meeting in February 2024.

AREIT will also acquire Seda Lio resort in El Nido, Palawan from ALI subsidiary Econorth Resort Ventures, Inc. for P1.19 billion. The

transaction will contribute to AREIT's income by the first quarter of next year.

The ALI properties will be acquired alongside the company's P6.77 billion purchase of Buendia Christiana Holdings Corp.'s 276-hectare industrial land in Zambales, which will be leased by ACEN Corp. subsidiary Giga Ace 8, Inc. for its solar plant operations.

"AREIT will execute the deed of exchange with ALI, its subsidiaries, and BCHC and apply for its approval with the SEC by March 2024. The new shares will be issued, and the income from the assets shall accrue to AREIT upon approval," the company said.

The acquisitions will bring AREIT's AUM to P117 billion, while its gross leasable building area will reach over one million square meters, and its leased industrial land area will expand to 286 hectares by 2024.

According to AREIT, the acquisition of commercial properties and industrial land is part of the company's plans to expand and diversify its portfolio.

"We believe in the synergistic goals between ALI as Sponsor and AREIT. ALI has infused a total of P59 billion in assets into AREIT since its IPO in 2020," AREIT Chair-

person and ALI President and Chief Executive Officer Anna Ma. Margarita B. Dy said.

"The inclusion of Ayala Tower Two and Greenbelt 3 and 5 — some of ALI's prime assets in Makati, is a testament to our continued commitment to AREIT's long-term growth," she added.

AREIT President and Chief Executive Carol T. Mills said the company "deliberately planned" the acquisitions to consist of malls, offices, hotels, and industrial properties to broaden its portfolio and reduce concentration risk to a particular sector.

"We are laying the groundwork to accelerate AREIT's expansion. With Ayala Land's deep pipeline of commercial assets as well as other strategic properties in the Ayala Group, AREIT can have the capacity to grow immensely and attain a market presence at par with some of the REIT players in the region," Ms. Mills said.

AREIT posted a 42% increase in its nine-month net income to P3.43 billion while its total revenues improved by 41% to P5 billion.

Shares of AREIT at the local bourse rose 1.65 points or 5.85% to P29.85 apiece while ALI shares jumped by 1.05 points or 3.48% to P31.20 each on Thursday. — **Revin Mikhael D. Ochave**

## AboitizPower sees Laoag solar plant's supply by next year

ABOITIZ Power Corp. (AboitizPower) is expecting its 159-megawatt (MW) Laoag solar plant to start delivering energy to the grid next year, boosting the company's confidence in sustaining its growth momentum.

"We started delivering to the grid from our 94 megawatt [peak] Cayanga power station — which is a solar plant in Pangasinan — and, in 2024, we're expecting our 159 megawatt [peak] Laoag solar plant to start delivering to the grid, which is in Pangasinan as well," AboitizPower Chief Financial Officer Juan Alejandro A. Aboitiz said in a media release on Thursday.

The company is currently completing the Laoag solar project, which is expected to be fully energized by the second quarter of 2024.

Mr. Aboitiz said he is also expecting the 24-MW battery energy storage project at Magat hydroelectric power plant in Ramon, Isabela to start delivering electricity next year. The project is under SN Aboitiz Power Group — its joint venture with Norwegian firm Scatec.

AboitizPower is also targeting to energize its 17-MW binary geothermal power project in Tiwi, Albay by the first quarter of next year. — **Sheldeen Joy Talavera**

FULL STORY



Read the full story by scanning the QR code or by typing the link <tinyurl.com/yZbt3ax6>



CHEN MIZRACH-UNSPASH

## Hike in coco biodiesel blend seen to affect D&amp;L's margins

LISTED D&L Industries, Inc. said the government's plan to increase the country's coco biodiesel blend to 3% from the current 2% is expected to have a substantial effect on the company's margins.

"The increase [in biodiesel blend] would mean the demand would go up automatically by 50% from 2% to 3%. The effect on volume and margin, we expect that it will be substantial," D&L Industries President and Chief Executive Officer Alvin D. Lao said during a media briefing in Mandaluyong City on Nov. 29.

According to Mr. Lao, there is a low utilization rate as the local biodiesel industry is currently ca-

pable of supplying up to 5% biodiesel blend, which is far from the government's mandated 2% blend.

"If you look at the biodiesel industry, we're actually ready to provide even up to the 5% blend. What that means is the capacity to supply is the 5% blend, but the actual demand is only at 2% [blend]. If you have roughly 40% utilization, low utilization means that the margin is low and everyone is underutilized and operating at very low capacity," Mr. Lao said.

"We think that when that increase comes, it will likely be gradual. But the effect is going to be significant," he added.

D&L Industries has a presence in the Philippine

biodiesel industry via its subsidiary Chemrez Technologies, Inc., which operates a biodiesel plant.

Some of the claimed benefits of a higher biodiesel blend include lower pollution and better value-added for coconut oil products.

"The biodiesel blend increase, I'd say, is one big factor for us," Mr. Lao said. "Most biodiesel manufacturers now barely make any money from that product due to oversupply and demand has not been growing that much. The increase would be quite impactful."

On Thursday, shares of D&L Industries at the local bourse improved by 21 centavos or 3.48% to P6.24 apiece. — **Revin Mikhael D. Ochave**

## Asia Pathogenomics maps Southeast Asia expansion

By Beatriz Marie D. Cruz  
Reporter

TAIPEI — Taiwan-based Asia Pathogenomics, Co. Ltd. (APG) plans to expand its metagenomic sequencing diagnostic services to countries across Southeast Asia before 2026 to help bring more accuracy in detecting infectious diseases, its top official said on Thursday.

APG President Roger Liu said the company seeks to expand the use of "next-generation sequencing technology," in hospitals across the region — including the Philippines — to assist medical professionals in determining more specific clinical treatments for infectious diseases.

"The technology for traditional detection in hospitals are based on hypothesis," Mr. Liu told *BusinessWorld* on the sidelines of the Healthcare+ Expo in Taipei City, Taiwan. "[In] next-generation sequencing technology, we detect unknown pathogens without hypothesis. We can sequence all the pathogens in one shot."

Current pathogen detection methods rely mostly on culture, which only has about 30% of the detection rate, resulting in inaccurate clinical reports, according to the Healthcare+ Expo website.

APG Associate Marketing Manager Spencer Hwang said the company seeks to expand collaborations with medical centers in Indonesia, Vietnam, and the Philippines.

"We know for sure that right now, Southeast Asia is currently a new emerging market," Mr. Hwang told *BusinessWorld*. "It's a good chance for us [to expand] like maybe in the next five years."

"We named ourselves as Asia Pathogenomics [because] we want to cover much [of] Asia," he added.

Mr. Liu cited the Taiwanese government's New

Southbound Policy — introduced by Taiwanese President Tsai Ing-wen in 2016 — which sought to expand the country's presence across the Indo-Pacific region by leveraging its cultural, educational, agricultural, technological, and economic assets.

He said that 10 Taiwanese medical centers are set to connect with local hospitals in seven Southeast Asian countries to introduce its next-generation sequencing technology.

Mr. Hwang added that APG is focusing on fully integrating the technology in Taiwanese hospitals before it expands to other Asian countries.

Using the traditional pathogen detection technology could lead to at most 20 deaths, according to Mr. Liu.

"[Traditional tests] need to 'guess' what pathogen it is," he said. "But by using next-generation sequencing technology, we can detect viruses, bacteria, fungi, and parasites in one shot."

Although the first papers on next-generation sequencing technology emerged a decade ago, its use was limited due to high costs, Mr. Liu said.

In recent years, however, the technology has become more affordable and pathogens have become more detectable, he said.

"There's currently more than 30,000 pathogens that the database [can find] so it's easier to use... but traditional tests can test like less than 10 pathogens in one time so it's hard to discover what pathogen [is the source of an infectious disease.]"

Since 2019, there have been 772.17 million confirmed cases of coronavirus (COVID-19) — a known infectious disease — globally, resulting in 6.98 million deaths and a three-year pandemic.

The Philippines alone had 4.12 million confirmed COVID cases, causing 66,746 deaths.