

Philippine Stock Exchange index (PSEi)

6,475.50

▼2.94 PTS.

▼0.04%

MONDAY, DECEMBER 18, 2023

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P715.00 -P20.00 -2.72%	ACEN ACEN Corp. P4.27 -P0.13 -2.95%	AEV Aboitiz Equity Ventures, Inc. P49.10 -P0.90 -1.8%	AGI Alliance Global Group, Inc. P10.10 ---	ALI Ayala Land, Inc. P33.95 +P1.00 +3.03%	BDO BDO Unibank, Inc. P126.90 -P3.00 -2.31%	BLOOM Bloomerry Resorts Corp. P9.76 -P0.14 -1.41%	BPI Bank of the Philippine Islands P102.20 +P0.60 +0.59%	CNPF Century Pacific Food, Inc. P30.50 -P1.50 -4.69%	CNVRG Converge ICT Solutions, Inc. P8.02 -P0.18 -2.2%
DMC DMCI Holdings, Inc. P9.22 +P0.02 +0.22%	EMI Emperador, Inc. P20.70 -P0.20 -0.96%	GLO Globe Telecom, Inc. P1,703.00 +P4.00 +0.24%	GTCAP GT Capital Holdings, Inc. P565.00 +P5.00 +0.89%	ICT International Container Terminal Services, Inc. P244.00 +P7.00 +2.95%	JFC Jollibee Foods Corp. P251.60 +P5.60 +2.28%	JGS JG Summit Holdings, Inc. P40.40 -P0.60 -1.46%	LTG LT Group, Inc. P8.73 ---	MBT Metropolitan Bank & Trust Co. P50.35 -P0.60 -1.18%	MER Manila Electric Co. P375.00 -P10.00 -2.6%
MONDE Monde Nissin Corp. P7.93 -P0.17 -2.1%	NIKL Nickel Asia Corp. P5.06 -P0.09 -1.75%	PGOLD Puregold Price Club, Inc. P26.10 +P0.05 +0.19%	SCC Semirara Mining and Power Corp. P28.20 -P0.30 -1.05%	SM SM Investments Corp. P912.50 +P6.50 +0.72%	SMC San Miguel Corp. P109.70 -P1.10 -0.99%	SMPH SM Prime Holdings, Inc. P33.60 +P0.50 +1.51%	TEL PLDT Inc. P1,270.00 +P10.00 +0.79%	URC Universal Robina Corp. P117.90 -P1.50 -1.26%	WLCON Wilcon Depot, Inc. P19.70 -P0.70 -3.43%

CREC move to go public seen to test IPO market

By **Sheldeen Joy Talavera**
Reporter

CITICORE Renewable Energy Corp. (CREC), the parent company of listed Citicore Energy REIT Corp. (CREIT), has sought regulatory approval to conduct an initial public offering (IPO) to develop its pipeline of projects.

In a statement on Monday, the company said it had filed a registration statement with the Securities and Exchange (SEC) Commission for its proposed IPO of its common shares.

The company intends to offer up to 2.9 billion shares, at a price of up to P3.88 each from March 4 to 8 next year, and may exercise an over-allotment option of up to 435 million additional shares.

Maximum gross proceeds of P11.25 billion may be raised from the offer, CREC said, assuming a final price offer of P3.88 per share and a final offer of 2.9 billion firm shares.

This excludes proceeds from the exercise of the over-allotment option.

"Net proceeds from the Offer are intended to be utilized for CREC's and its subsidiar-

ies' capital expenditures and pipeline development," the company said.

It said that the offer, final offer price, final number of offer shares, and allocation of the proceeds "will depend on market conditions, the circumstances surrounding the offer, and will be subject to favorably securing the necessary regulatory approvals."

The company filed a draft of the preliminary offering circular along with the registration statement for the review of the SEC and the Philippine Stock Exchange, Inc.

According to the company's prospectus, the pricing will be finalized on Feb. 28, 2024.

As of Sept. 30, the company had a total installed capacity of 285.1 megawatts across Luzon, Visayas, and Mindanao.

Sought for comment, Juan Paolo E. Colet, managing director of China Bank Capital Corp., said that CREC's IPO will test "whether the IPO market is back."

"It remains a challenging market for large IPOs, but there is a chance for success especially if the final price is attractive and there is a clear dovish pivot

in monetary policy," Mr. Colet said in a Viber message.

April Lynn Lee-Tan, chief equity strategist of COL Financial Group, Inc., said the IPO is favorable for CREC as it belongs to the power sector, which has been an outperformer and resilient this year.

"However, the question is the sustainability of the market's strong performance the past week. If the market weakens again, demand might not be there," she said.

Ms. Lee-Tan said that some investors might prefer CREIT since it gives cash dividends.

CREIT, as the country's first real estate investment trust listing focused on renewable energy, concluded its IPO in February 2022, which raised P6.4 billion.

On its debut, CREIT's shares closed at P2.84 apiece, higher by 11.37% than its IPO price of P2.55.

In the third quarter, the company's attributable net income climbed by 29.7% to P396.09 million from P305.32 million in the same quarter last year.

Gross revenues grew by 52.2% to P507.15 million while gross expenses increased by 31.3% to P507.15 million.

DoTr sticks to submission deadline for NAIA upgrade bidders

THE Department of Transportation (DoTr) will not extend the bid submission deadline for the rehabilitation of the Ninoy Aquino International Airport (NAIA), the agency's head said, citing the urgency to upgrade the country's main gateway.

"The bid [submission] deadline is initially set on Dec. 27 and we want to stick to that deadline because we want to implement the program as soon as possible," Transportation Secretary Jaime J. Bautista told reporters on the sidelines of a forum on Monday.

This comes after the Asian Development Bank (ADB), the project's transaction advisor, has recommended extending the bid submission

deadline for the rehabilitation of the NAIA until January next year.

"For now, we are requesting all the bidders to submit their bids [and] proposals by Dec. 27," Mr. Bautista said.

In November, the ADB said its proposal to extend was meant to give potential bidders more time to prepare and submit their bids, which it said would result in "more competition and a better financial outcome for the Philippine government."

The bank said the extension would also encourage new players and foreign investments as it warned that only two prospective bidders would be able to submit bids if the deadline is retained.

"There are actually four who requested the extension but I understand

that they will still submit the bids by the deadline," Mr. Bautista said, declining to name the requesting entities.

To date, the number of prospective bidders for the NAIA rehabilitation remained at eight, Mr. Bautista said.

The DoTr previously identified the eight potential bidders as the Turkey-based Limak Group; Incheon International Airport Corp.; San Miguel Holdings Corp.; Manila International Airport Consortium; Cengiz Insaat Sanayi ve Ticaret A.S.; GMR Airports International; Spark 888 Management; and Asia Airport Consortium.

The DoTr is expecting to announce the winning bidder by the first quarter of next year.

NAIA's rehabilitation aims to decongest the airport by helping improve its annual passenger capacity to 62 million from the current 35 million.

The winning bidder for the airport upgrade is required to pay an upfront amount of about P30 billion and an annual payment of P2 billion, plus a share of revenue, the draft concession agreement said.

According to the NAIA-Public-Private Partnership concession agreement, the contract term for the project is 15 years, extendable by another 10 years. The project will be a rehabilitate-operate-expand-transfer arrangement, as provided for under the Build-Operate-and-Transfer Law. — **Ashley Erika O. Jose**

Filinvest-ENGIE set to develop 13-MW solar power plants

FILINVEST-ENGIE Renewable Energy Enterprise, Inc. (FREE) is set to add more than 13 megawatts (MW) to its portfolio with new solar projects in the pipeline.

Among the projects is the 10.09-MW ground-mounted solar facility to be built with partner cement producer Cemex Holdings Philippines, Inc. through its subsidiary APO Cement Corp., the company said in a media release.

The project, which is located in Naga City, Cebu, is projected to prevent 9,000 metric tons (MT) of carbon dioxide (CO2) a year.

FREE is a joint venture company between FDC Utilities, Inc. (FDCUI), the power utility unit of Filinvest Development Corp. (FDC), and ENGIE Services Philippines, a unit of the French utility company ENGIE.

The company has also secured a contract with Dutch semiconductor manufacturer Nexperia to build around a 3 MW rooftop solar system.

FREE has also sealed a partnership with medical company Merasenko Corp. to develop a 0.53-MW-peak rooftop solar system for the latter's facility at the Cebu Light Industrial Park.

Filinvest Land, Inc. (FLI), the real estate arm of FDC, also has a joint venture with ENGIE called Philippine DCS Development Corp. (PDDC).

PDDC is set to develop a low-carbon centralized cooling system (CCS) for Festival Supermall in Alabang, under a 20-year build, own, operate, and transfer contract.

FLI First Vice-President and Business Retail Head Michael Angelo A. Dumlao said that the CCS has a capacity of 11,400 refrigeration tons of sustainable cooling capacity and could prevent 47,500 MT of CO2.

With the target commissioning by 2025, the project is expected to complement Festival Supermall's 2.8-MW rooftop solar system.

"With these projects, customers in complex industries like cement and semiconductor manufacturing are taking action to decarbonize, setting an example for others, without compromising on their bottom lines and customer satisfaction," FDCUI President and Chief Executive Officer Juan Eugenio L. Roxas. — **Sheldeen Joy Talavera**

PH agri companies explore partnerships with Israel agri giant



One of Israel's largest agriculture companies met with several Philippine agriculture companies to explore possible partnerships, specifically on agriculture technology. Israel's Innovative Agro Industry (IAI) met with companies who are part of the Kapatid Angat Lahat sa Agri Program (KALAP) of Go Negosyo, led by founder Joey Concepcion. In the meeting were (standing, from left): Ofer Tamir of LR Group, Shahar Turgeman of LR Group, Mat Maderazo of Planters Products, Francisco Dizon of Dizon Farms, Dr. William Dar of

Go Negosyo, James Amparo of Yovel East Agriventures, Mina Akram of Go Negosyo, Abby Famadico of Go Negosyo, and Daryll Battad of Go Negosyo. Seated (from left) Christian Eyde Moeller of Lionheart Farms, Lior Crystal of LR Group, JoJo Gumino of Agrabah Ventures, Ambassador Ilan Fluss of Embassy of Israel in the Philippines, Joey Concepcion of Go Negosyo, Rowena Sadicon of Philippine Rice Industry Stakeholders Movement (PRISM), and Toby Gatchalian of Metro Pacific Agro Ventures, Inc.



BW FILE PHOTO

Ortigas Land launches two residential tower projects for completion in 2-6 years

PROPERTY developer Ortigas Land Corp. broke ground for its two residential tower projects — Olin at Jade Drive and Empress at Capitol Commons — which it aims to complete in the next two to six years.

"These milestones signify Ortigas Land's commitment to building great places for life by offering tranquil spaces within the bustling city with the Empress and delving into a wider market with Olin at Jade Drive," Ortigas Land Assistant Vice-President and Residential Business Unit Head Jenna J. Belardo said in a statement on Monday.

Empress at Capitol Commons is a 56-storey residential tower that features smart home living to provide seamless and convenient living for its residents, the company said. Construction is expected to be completed and turned over to residents by the fourth quarter of 2026.

"The location and positioning of these residential projects, coupled with upcoming developments and infrastructure, offers considerable prospects for potential residents and investors alike," Ms. Belardo said.

The company offers its first mid-market residential tower after Ortigas Land broke ground for Olin at Jade Drive in the fourth quarter of this year.

Olin at Jade Drive features modern and ergonomic interiors, Ortigas Land said. The project is projected to be completed by the fourth quarter of 2029.

Both residential towers are located within corporate, commercial and retail development centers, offering additional convenience to customers, the company said.

Established in 1931, Ortigas Land is a property developer with businesses in industrial, commercial and residential centers. — **Ashley Erika O. Jose**