

## Philippine Stock Exchange index (PSEi)

6,830.04 ▲ 74.78 PTS. ▲ 1.1%

WEDNESDAY, FEBRUARY 7, 2024  
BusinessWorld

## PSEI MEMBER STOCKS

<b>AC</b> Ayala Corp. P715.00 +P43.00 +6.4%	<b>ACEN</b> ACEN Corp. P4.35 +P0.02 +0.46%	<b>AEO</b> Aboitiz Equity Ventures, Inc. P47.50 ---	<b>AGI</b> Alliance Global Group, Inc. P11.60 +P0.08 +0.69%	<b>ALI</b> Ayala Land, Inc. P34.50 +P0.35 +1.02%	<b>BDO</b> BDO Unibank, Inc. P150.00 +P2.00 +1.35%	<b>BLOOM</b> Blossom Resorts Corp. P11.72 +P0.42 +3.72%	<b>BPI</b> Bank of the Philippine Islands P112.60 -P1.60 -1.4%	<b>CNPF</b> Century Pacific Food, Inc. P36.15 -P0.60 -1.63%	<b>CNVRG</b> Converge ICT Solutions, Inc. P9.57 +P0.06 +0.63%
<b>DMC</b> DMCI Holdings, Inc. P10.72 -P0.26 -2.37%	<b>EMI</b> Emperador, Inc. P20.65 +P0.05 +0.24%	<b>GLO</b> Globe Telecom, Inc. P1,728.00 -P22.00 -1.26%	<b>GTCAP</b> GT Capital Holdings, Inc. P695.00 +P5.00 +0.72%	<b>ICT</b> International Container Terminal Services, Inc. P270.00 +P10.20 +3.93%	<b>JFC</b> Jollibee Foods Corp. P262.80 +P2.20 +0.84%	<b>JGS</b> JG Summit Holdings, Inc. P39.55 -P0.95 -2.35%	<b>LTG</b> LT Group, Inc. P9.59 -P0.21 -2.14%	<b>MBT</b> Metropolitan Bank & Trust Co. P57.70 +P0.90 +1.58%	<b>MER</b> Manila Electric Co. P372.00 +P7.00 +1.92%
<b>MONDE</b> Monde Nissin Corp. P9.68 +P0.04 +0.41%	<b>NIKL</b> Nickel Asia Corp. P4.70 -P0.06 -1.26%	<b>PGOLD</b> Puregold Price Club, Inc. P27.75 +P0.05 +0.18%	<b>SCC</b> Semirara Mining and Power Corp. P32.35 +P0.35 +1.09%	<b>SM</b> SM Investments Corp. P910.00 +P4.00 +0.44%	<b>SMC</b> San Miguel Corp. P107.80 -P0.20 -0.19%	<b>SMPH</b> SM Prime Holdings, Inc. P34.80 +P0.80 +2.35%	<b>TEL</b> PLDT Inc. P1,300.00 +P10.00 +0.78%	<b>URC</b> Universal Robina Corp. P111.40 -P0.10 -0.09%	<b>WLCON</b> Wilcon Depot, Inc. P22.50 +P0.20 +0.9%

# Filinvest raises P10 billion from bond offering

FILINVEST Development Corp. (FDC) has raised P10 billion in the first tranche of its P32-billion three-year bond program, the Golanun-led conglomerate said on Wednesday.

In a filing, FDC reported raising P10 billion through 2.5-year peso fixed-rate bonds at a 6.3206% annual interest rate.

The first tranche included a P7 billion base offer and an option for oversubscription of up to P3 billion.

"We saw the success of the unwavering efforts of the joint lead underwriters and bookrunners with the offer achieving total bids of P31.5 billion, or 4.5 times oversubscription over the base issuance of P7 billion," FDC President and Chief Executive Officer Rhoda A. Huang said during the listing ceremony in Makati City.

She said the net proceeds from the issuance will be used

to partially finance our maturing bond redemption and capital expenditure, including financing for equity investments in renewable energy, water, hospitality, and digitalization projects.

"The overwhelming response to the first tranche of the P32-billion bond program with the P10-billion fixed-rate retail bond offer reflects investors' confidence in our company's growth and the

country's economic outlook," Ms. Huang added.

Meanwhile, Securities and Exchange Commission Chairperson Emilio B. Aquino said that the reception to FDC's bond issuance shows the conglomerate's "steady earnings" across its portfolio, as well as the "strong financial flexibility and established brand names of its subsidiaries."

"With these developments, we are sure to see stable investment

opportunities for investors as the company expands its operations and maintains its position in the market," he added.

FDC has diversified business interests encompassing property, banking services, sugar, and power, with subsidiaries including Filinvest Land, Inc., East West Banking Corp., Filinvest Hospitality Corp., FDC Utilities, Inc., and Pacific Sugar Holdings Corp.

For the first nine months of 2023, FDC's attributable net income improved by 57% to P5.9 billion compared to P3.8 billion in 2022, as the conglomerate's revenues rose by 26% to P64.6 billion.

On Wednesday, FDC shares closed unchanged at P5.50 apiece while Filinvest Land stocks dropped by one centavo or 1.47% to 67 centavos each. — **Revin Mikhael D. Ochave**

## Capital's office vacancy rate seen to drop to 14% by 2028

THE vacancy rate of office spaces in Metro Manila is expected to decrease to 14% by 2028 due to projected demand growth, real estate consulting firm Colliers said on Wednesday.

"We see vacancy rates to gradually decrease to 14% by 2028," Colliers Associate Director for Office Services Kevin Jara said during a briefing.

This is attributed to the "gradual growth of demand based on projections," he said, adding that it includes demand from Philippine offshore gaming operators (POGOs).

For 2023, the office vacancy rate increased by 19.3% to 2.7 million square meters (sq.m.) as of the end of the year due to the delivery of new office buildings and surrenders from nonrenewals and preterminations.

"We've had a stronger transaction activity compared to 2022 and in terms of

net-office demand. Due to this, we've actually averted our original vacancy forecast of 20%," Mr. Jara said.

"In the next five years, it is our hope that the trend continues, and we continually avoid that 20% mark," he said.

The vacancy rate recorded as of 2023 was higher than the 18.8% posted in 2022.

Colliers said in a report that net take-up in 2023 reached 279,800 sq.m., more than double the amount recorded in 2022, as transactions continued to outpace lease surrenders.

Mr. Jara said that Colliers expects the demand to reach 336,000 sq.m. by the end of 2024.

"In 2023, we achieved 828,000 square meters of office space transaction, culminating three-year momentum of increase in office space transactions volume in the market," he said.

In terms of transaction profile, traditional offices comprised the majority of office space deals, accounting for 46% of the total, including government agencies, telecommunication companies, insurance firms, and flexible workspace operators, according to the property consultancy firm.

This was followed by third-party outsourcing, which constituted 34%, comprising shared services and multinational shared service and captive firms. POGOs reportedly accounted for 20%.

"With the increasing demand forecast that we have for this year and the start of tapering of office supply by Manila's office developers, we expect rents to marginally increase by 2.5% by yearend," Mr. Jara said. — **Sheldeen Joy Talavera**

## Aboitiz says water unit eyes expansion of bulk water supply project

ABOITIZ InfraCapital, Inc., through its unit Apo Agua Infraestructura, Inc., is planning to expand the capacity of its P12-billion bulk water project to serve the growing demand in Davao City, the company's president said.

"We are looking at an expansion of this to other areas of DCWD (Davao City Water District). As the DCWD expands, we will expand with them and other areas of Davao," Sabin M. Aboitiz, president and chief executive officer of Aboitiz Equity Ventures, Inc. (AEV), told reporters on the sidelines of the project's inauguration on Wednesday.

AEV is the listed holding company of the Aboitiz group.

The DCWD is the water utility and major piped water service provider of Davao City. It sources its supply from underground and surface water, serving around 240,000 customers in 116 barangays within its concession area.

The project which started operating in December of last year, is a public-private partnership between the Apo Agua and DCWD.

The Davao City bulk water supply project has a capacity

of 300 million liters per day. Its water treatment facility is powered by a two-megawatt run-of-river hydroelectric power plant, utilizing a water-energy nexus concept.

The project taps supply from the Tamugan River, and the raw water passes through the run-of-river hydroelectric power plant which in turn generates energy.

The generated power will be used by the treatment facility to produce treated water.

Jovana Cresta Duhaylungsod, spokesperson of DCWD, said that with the operations of the bulk water project, DCWD hopes to reduce its activated deep wells.

"Right now, with the bulk water supply, we will rest the production of some wells. We will only use them for contingency if there's a temporary shutdown of bulk water," Ms. Duhaylungsod said, adding that 70% of DCWD's supply will be coming from the Apo Agua bulk water.

With the operations of the project, Ms. Duhaylungsod said DCWD expects water shortage within its service area to be lessened. — **Ashley Erika O. Jose**

## Fruitas Holdings' Ling Nam opens additional stores in Metro Manila

FRUITAS HOLDINGS, Inc. said on Wednesday that it has expanded its presence in the capital region by launching three new locations under its Ling Nam Chinese restaurant brand.

In a regulatory filing, the multi-format food and beverage store operator said that it has opened three Ling Nam restaurants located in Quezon City, Caloocan City, and Makati City.

"It is only the beginning of our... expansion in the casual and formal dining space this year," said Fruitas Holdings President and Chief Executive Officer Lester C. Yu.

He said the company also aims to introduce Ling Nam's delicacies nationwide to meet anticipated demand.

Fruitas said the new Ling Nam branch in Caloocan City, which opened on Jan. 3, can accommodate 48 persons and is located at Ziti Center Mall, 7<sup>th</sup> Ave.

The new branch in Quezon City was launched on Jan. 15 and is situated at Calle Bistro, Don Antonio Road.

Meanwhile, the new store in Makati City opened on Jan. 24 and is located at The Grid Co-Living, San Antonio Village.

Fruitas, via its indirect wholly owned subsidiary Lingnam Food, Inc., completed the acquisition of the Ling Nam on March 1 last year, in a bid to tap the Asian food market.

Under the agreement, Lingnam Food, which is wholly owned by Fruitas subsidiary Soykingdom, Inc., acquired the trademark, recipes and other technical know-how, certain equipment, store improvements, and inventory from the previous owner.

As of Feb. 6, Ling Nam has 34 stores across the Philippines, consisting of seven Ling Nam since 1950, three Ling Nam Express, one Ling Nam Noodle Bar, and 23 Ling Nam Fried Siopao outlets. — **Revin Mikhael D. Ochave**

## Manila Water targets final testing of Calawis water project in May

MANILA Water Co., Inc. is expecting to provide 80 million liters per day (MLD) of additional treated water after the testing phase of its P8.2-billion Calawis Water Supply System Project (WSSP) in May this year, the company announced on Tuesday.

The east zone concessionaire said that the Calawis WSSP is already supplying 25 MLD to 919,784 residents of Antipolo City and nearby towns, it said in an e-mailed statement.

The project had been physically completed in June last year. It employs an 80-MLD water treatment plant, pumping stations, reservoirs, and a 21-kilometer primary transmission line.

The facility also uses Degremont compact units, which are "prefabricated, modular water and wastewater treatment plants engineered for more efficient production, transportation, and installation."

"Under the company's Service Improvement Plan, the Calawis WSSP aims to reduce our dependency to Angat Dam, which provides more than 90% of the water needs of Metro Manila and Rizal Province," the company said.

Manila Water also intends to construct new water sources, adjacent infrastructure, and rehabilitation of existing facilities under the said plan.

The Calawis WSSP forms part of the company's Wawa-Calawis Water Supply System, which would provide additional 518 MLD of water to customers in Antipolo City, Teresa and Baras in Rizal, Pasig, Taguig, Makati, and portions of Manila.

At the local bourse on Wednesday, shares of Manila Water climbed by P0.34 or 1.85% to close at P18.74 apiece.

The water concessionaire serves the east zone network of Metro Manila, covering parts of Marikina, Pasig, Makati, Taguig, Pateros, Mandaluyong, San Juan, portions of Quezon City and Manila, and several towns in Rizal province. — **Sheldeen Joy Talavera**

## SGV Foundation seeks nominees for Entrepreneur of the Year '24

THE SGV Foundation, Inc. launched the EY Entrepreneur of the Year Philippines (EoYP) 2024 program on Wednesday and is now accepting nominations.

The nominations for EY EoYP 2024, with the theme "Shaping Opportunities," will run from February to June, with interviews scheduled from April to July, the foundation said in a statement.

Deliberations for the nominees will take place in August, and the announcement of finalists will happen in September. The awards banquet for the EY EoYP will be held in October.

"Since its inception, the EY EoYP program has acknowledged the transformative power of entrepreneurship in shaping lives and accelerating economic growth," EoYP

Program Director Henry M. Tan said during the launch event in Makati City.

"Entrepreneurs, armed with stellar ideas and passion, have the capacity to put dreams into reality. Fueled by their inventive spirit and sheer dedication, they initiate positive societal change and address challenges with new concepts and products, generating employment opportunities and enhancing the quality of life within their communities," he added.

The theme of EY EoYP 2024 recognizes the transformative ability of Filipino entrepreneurs in reimagining and advancing economic and national development with vision, passion, and innovation, the foundation said. — **Revin Mikhael D. Ochave**

FULL STORY



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## Globe Telecom expects low- to middle-digit revenue growth

GLOBE Telecom, Inc. is expecting its revenue to grow by low- to middle-digit figures this year by strengthening its business segments, the Ayala-led telecommunications company said on Wednesday.

"As we move forward to 2024, we are very optimistic that we will achieve continued growth by executing well on our customer-focused strategy and enhancing innovations using digital solutions backed by our firm commitment to network excellence," Ernest L. Cu, president and chief executive officer of Globe said during a briefing.

For 2023, the company registered a core net income of P18.92 billion, 1.3% lower than the P19.17 billion in 2022 due to lower revenues.

Globe saw full-year service revenues of P162.33 billion, marking a 4.5% increase compared to the P157.52 billion recorded a year earlier.

Broken down, home broadband recorded a 7.3% decrease to P25.11 billion from P27.09 billion; corporate data registered P18.32 billion, 6.5% higher than the P17.2 billion. Fixed-line voice revenues logged P1.6 billion, falling by 18.6% compared to P1.99 billion.

Other revenues recorded a 17.9% climb to P4.93 billion from P4.18 billion a year earlier. — **Ashley Erika O. Jose**

FULL STORY



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