

Philippine Stock Exchange index (PSEi)

6,963.22

▲ 106.45 PTS.

▲ 1.55%

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BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P649.50 -P1.00 -0.15%	ACEN ACEN Corp. P3.85 +P0.05 +1.32%	AEV Aboitiz Equity Ventures, Inc. P47.00 +P0.50 +1.08%	AGI Alliance Global Group, Inc. P9.80 +P0.02 +0.2%	ALI Ayala Land, Inc. P32.35 +P0.55 +1.73%	BDO BDO Unibank, Inc. P154.50 +P0.50 +0.32%	BLOOM Blossom Resorts Corp. P11.40 +P0.52 +4.78%	BPI Bank of the Philippine Islands P122.50 +P0.70 +0.57%	CNPF Century Pacific Food, Inc. P35.55 +P0.55 +1.57%	CNVRG Converge ICT Solutions, Inc. P9.38 +P0.07 +0.75%
DMC DMCI Holdings, Inc. P11.50 +P0.20 +1.77%	EMI Emperador, Inc. P17.96 +P0.54 +3.1%	GLO Globe Telecom, Inc. P1,749.00 +P19.00 +1.1%	GTCAP GT Capital Holdings, Inc. P679.00 +P2.00 +0.3%	ICT International Container Terminal Services, Inc. P344.00 +P29.20 +9.28%	JFC Jollibee Foods Corp. P265.00 +P6.00 +2.32%	JGS JG Summit Holdings, Inc. P35.55 +P0.25 +0.71%	LTG LT Group, Inc. P9.79 -P0.01 -0.1%	MBT Metropolitan Bank & Trust Co. P65.00 +P0.60 +0.93%	MER Manila Electric Co. P358.80 +P2.80 +0.79%
MONDE Monde Nissin Corp. P10.32 +P0.02 +0.19%	NIKL Nickel Asia Corp. P4.00 +P0.07 +1.78%	PGOLD Puregold Price Club, Inc. P26.00 +P0.25 +0.97%	SCC Semirara Mining and Power Corp. P34.70 +P0.50 +1.46%	SM SM Investments Corp. P980.00 ---	SMC San Miguel Corp. P103.50 +P2.00 +1.97%	SMPH SM Prime Holdings, Inc. P33.15 +P0.35 +1.07%	TEL PLDT Inc. P1,369.00 +P24.00 +1.78%	URC Universal Robina Corp. P102.40 +P0.90 +0.89%	WLCON Wilcon Depot, Inc. P18.20 -P0.24 -1.3%

SMC starts work on road linking Pangasinan to Bulacan airport

SAN MIGUEL Corp. (SMC) has commenced work on the 76.80-kilometer Pangasinan Link Expressway (PLEX) project, which will connect Pangasinan towns to the company's mega airport project in Bulacan.

"PLEX will connect to the Tarlac-Pangasinan-La Union Expressway (TPLEX) at the Binalonan exit, providing direct access to the New Manila International Airport in Bulacan," SMC said in a statement on Thursday.

SMC, which also leads the consortium that bagged the contract to operate and rehabilitate the Ninoy Aquino International Airport, expects to

commence development works for its Bulacan airport project next year.

The San Miguel group undertakes PLEX as a joint venture project with the province of Pangasinan. The two parties signed the joint venture and toll concession agreements last year.

The 42.76-kilometer first phase of the project from Binalonan to Lingayen, costing P34 billion, is expected to reduce travel time to around 20 to 30 minutes from one hour and 40 minutes, the province said in a statement on its website.

The first phase will extend 2.76 kilometers from TPLEX, another toll road operated by the



RAMON ANG

San Miguel group, to Lingayen, Pangasinan.

"Phase 2 of the project will be a demand-driven expansion all the way to Alaminos, Pangasinan," the company said.

"[The] expressway project [is] a game-changer for Pangasinan that is seen to boost local industries, agriculture, and tourism by linking the province's eastern and western corridors," it added.

The company also said the construction of PLEX will "incur no costs for the provincial government."

At the same time, SMC committed to "timely completion pending the acquisition of the necessary right of way."

"The provincial government will also receive a substantial share of the project's earnings," SMC President and Chief Executive Officer Ramon S. Ang said. — **A.E. O. Jose**

AC Industrials eyes more opportunities with Bosch Philippines

AYALA CORP.'S AC Industrials has partnered with the Philippine unit of Bosch, a German multinational engineering and technology company, to explore new business opportunities in various sectors such as energy, mobility, and manufacturing.

AC Industrials recently signed a memorandum of understanding with Bosch Philippines to explore potential business activities in various industries, including mobility solutions, manufacturing, energy, and healthcare, among others, the Ayala-led company said in a statement on Thursday.

"As we see the electric vehicle (EV) transformation happen in the country, we're really excited to explore more ways to continue working with our partners as well as sharing expertise and innovative practices," AC Industrials Co-Chief Executive Officer (CEO) Jaime Alfonso Zobel de Ayala said.

Mr. Zobel, who is also the CEO of Ayala Corp.'s mobility arm ACMobility, said the partnership with Bosch Philip-

pires helps ACMobility's goal of building the first and largest EV platform in the country.

In 2023, ACMobility forged a partnership with Bosch to incorporate integrated vehicle technology in its after-sales operations.

Under the partnership, Bosch Philippines will offer mechanical repairs to intricate electronics, engine systems, safety features, comfort upgrades, transmission expertise, as well as other services and diagnostics.

ACMobility and Bosch are aiming to open 20 new outlets in the country this year, with plans to expand to up to 60 outlets over the next five years.

AC Industrials invests and operates Ayala's businesses in industrial technology. It has three major business lines consisting of global manufacturing, enabling technologies, and automotive distribution and retail.

On Thursday, Ayala Corp. shares dropped by 0.15% or P1 to P649.50 apiece. — **Revin Mikhael D. Ochave**

Aboitiz group sets 2024 capex budget at P153 billion

CEBU-BASED Aboitiz group has earmarked P153 billion for its capital expenditure (capex) budget this year, as the conglomerate plans to expand its renewable energy (RE) portfolio and other businesses.

The 2024 capex, over two times higher than the P65 billion spent capex last year, will be used for RE projects in the pipeline, as well as further investments to develop the retail banking business, support utility infrastructure projects, and expand the food group, the Aboitiz group said in a statement on Thursday.

Of the total capex budget, 48%, or P73 billion, is allotted to Aboitiz Power Corp.'s (AboitizPower) RE projects, 29% or P44 billion will be for the Aboitiz Group's holding firm Aboitiz Equity Ventures, Inc. (AEV), and P25 billion is for the group's infrastructure arm Aboitiz InfraCapital, Inc. (AIC).

Almost P4 billion is allotted as capex budget for food subsidiaries Pilmico and Gold Coin Group, while P3.3 billion is earmarked for AboitizLand, Inc.

The group did not specify the allocation for its retail banking arm Union Bank of the Philippines, Inc.

"Our substantial increase in capital expenditures is a clear reflection of our commitment to renewable energy," Aboitiz group President and Chief Executive Officer Sabin M. Aboitiz said.

AboitizPower has over 1,000 megawatts (MW) of disclosed projects in construction and development. It aims to reach 4,600 MW within the next decade.

These projects include the 159-MW peak (MWp) Laoag Solar Power Project in Aguilan, Pangasinan; the 17-MW Binary Geothermal Power Project in Tiwi, Albay; the 173-MWp

Solar Power Project in Calatrava, Negros Occidental; the 45-MWp Solar Plant in Armenia, Tarlac; and the 212-MWp Solar Power Project in Olongapo, Zambales.

AboitizPower also aims to commence work on various RE projects this year such as the 89-MWp solar project in San Manuel, Pangasinan, and a 50-MW wind plant in Camarines Sur.

For the holding company, AEV will use P40 billion of its capex budget for the acquisition of domestic bottler of Coca-Cola products, Coca Cola Beverages Philippines, Inc. (CCBPI).

The joint acquisition involving AEV and Coca-Cola Europacific Partners Plc. (CEPE) is valued at \$1.8 billion. The deal was completed on Feb. 23.

AEV has 40% stake in CCBPI, while the remaining 60% stake is held by CEPE.

Meanwhile, infrastructure unit AIC targets to explore new projects and synergies within the Aboitiz group.

Some of AIC's projects in the pipeline include the upcoming groundbreaking of its TARI Estate development in Tarlac, and the ramping up of production for the Davao City Bulk Water Supply Project.

Other plans include enhancing the Mactan-Cebu International Airport, improving nationwide digital connectivity, and doing major maintenance works and purchasing of critical spares under AIC's cement business led by Republic Cement.

For the food business, the capex budget will be used for the agribusiness expansion projects of Pilmico and Gold Coin Group. These projects include the ongoing Yunnan feedmill in China, as well as the Long-An feedmill in Vietnam, both of which are expected to be finished in the second quarter.

Yunnan Mill will be capable of producing up to 150,000 metric tons (MT), while Long-An feedmill will have a production capacity of 200,000 MT with a potential to expand to 300,000 MT.

The group said the capex budget will also be used to improve its meats business by repopulating breeder farms, developing channels to bring up plant utilization of its Tarlac MeatMasters meat-cutting facility, and reinforcing its meats organization.

For the real estate business, AboitizLand will use the capex budget to support ongoing projects such as the planned launch of the second building of The Strides at LIMA. The company aims to focus on harvesting its existing land bank and maximizing the value of various real estate holdings across different Aboitiz business units including the economic estates.

For the banking business, UnionBank's capex budget will be used for investments in technology refresh, cybersecurity, and system integration.

"By the end of March 2024, Union Bank is set to complete the integration of Citibank's consumer banking business in the country that it acquired in 2022," the group said.

"The deal included an asset and liability transfer, the sale of shares in Citicorp Financial Services & Insurance Brokerage Philippines, Inc., and real estate shares in Citibank Square Building in Quezon City," it added.

On Thursday, AEV shares rose by 1.08% or 50 centavos to P47 per share. AboitizPower stocks gained by 0.14% or five centavos to P36.90 apiece. UnionBank shares were unchanged at P43 each. — **Revin Mikhael D. Ochave**

Arthaland Corp. board approves P45-million share subscription to Bhavya Properties, Inc.

ARTHALAND CORP.'S board has approved a P45-million share subscription to Bhavya Properties, Inc. to finance the latter's capital requirement for an ongoing condominium project, the listed property developer said on Thursday.

The board authorized the subscription to 450,000 preferred shares of Bhavya Properties at P100 apiece, the company said in a regulatory filing.

Bhavya Properties is 60% owned by Arthaland, while the remaining 40% is held by Singapore-based Narra In-

vestment, which is managed by investment management company Arch Capital Management Co. Ltd.

The additional equity will be used to fund the construction of the 31-storey Eluria residential condo project in Legazpi Village, Makati City.

"Bhavya Properties will leverage on the additional equity to fund Eluria's working capital requirement until its scheduled project completion in 2025, while ensuring compliance with all its financial covenants," Arthaland said.

"Preferred shares are voting and have such features as the Bhavya board of directors prescribe, but in no case such shares shall be cumulative or redeemable at the option of the holder," it added.

Arthaland also said that Narra Investment Properties Pte. Ltd. will have a P30 million share subscription to Bhavya Properties "to the extent of 300,000 (preferred shares) at the price of P100 per share."

Eluria is being built by Arthaland in partnership with Arch Capital.

Arthaland is expecting to generate P6 billion in sales value from Eluria. The property will feature 37 units designed by Sydney-based architecture and interior design firm FMB Architects.

Eluria's amenities include a heated saltwater leisure and lap pool, an indoor children's playroom, a function hall, a potager garden at the roof deck, and chauffeur shuttle services to select nearby destinations.

On Thursday, Arthaland shares were unchanged at 50 centavos per share. — **Revin Mikhael D. Ochave**

First Gen profit climbs to \$277M

LOPEZ-LED First Gen Corp. saw a 4% increase in its attributable recurring net income to \$277 million for 2023, driven by higher electricity prices and average selling price.

First Gen's revenues declined by 7% to \$2,475 million from \$2,667 million in 2022, driven by lower fuel revenues caused by a drop in natural gas and liquefied natural gas prices globally, the company said in a regulatory filing on Thursday.

"This was also accompanied by lower electricity output sold by the natural gas platform," the company said.

The geothermal plants of Energy Development Corp. (EDC), First Gen's renewable energy subsidiary, saw improved earnings owing to higher electricity prices.

EDC logged recurring earnings of \$119 million, higher by 24% from \$96 million in 2022.

First Gen's hydropower platform reached recurring earnings of \$4 million, down 23% from \$5 million in 2022.

"The Pantabangan-Masiway power plants had a reduction in the volume of electricity sold due to the transfer of its power supply contract to EDC last August 2022, as well as low water reservoir levels," the company said.

The decline in electricity sold was offset by an increase in Wholesale Electricity Spot Market volumes sold and lower purchases of replacement power.

For its natural gas platform, First Gen saw a 5% drop in recurring earnings to \$184 million from \$190 million.

Its 420-megawatt (MW) San Gabriel Power Plant and 97-MW Avion Power Plant had a higher recurring earnings due to the full availability of both plants last year coupled with lower fuel costs.

Both the 1,000-MW Sta. Rita and 500-MW San Lorenzo power plants posted lower recurring earnings attributed to "the incurrence of elevated interest expenses."

FGEN LNG Corp., the company's incorporated special purpose vehicle of the Interim Offshore LNG Terminal, started to generate commissioning revenues from its pre-commercial operations.

"FGEN LNG generated revenues of \$8 million and a recurring net loss of \$20 million in 2023," the company said.

The natural gas portfolio accounted for 65% of its total consolidated revenues, while 32% came from EDC's geothermal, wind, and solar plants.

The remaining revenues came from First Gen's hydro plants and its retail electricity supplier First Gen Energy Solutions.

First Gen President and Chief Operating Officer Francis Giles B. Puno said that the year 2023 was "a positive year" following the recent developments across the company's business segments.

"This year, these developments should translate to additions to First Gen's earnings as the LNG Terminal reaches commercial operations and the effectivity of the terminal lease agreement with Gas Aggregator Philippines, Inc. happens," he said.

"Casecan will likewise be a positive addition to the bottom line from day one of its turnover," he added.

To recall, the 165-MW Casecan Hydroelectric Power Plant in Nueva Ecija was turned over by the Power Sector Assets and Liabilities Management Corp. to First Gen in February, with a bid price of \$526 million.

On Thursday, shares of the company went down by P0.12 or 0.61% to close at P19.66 each. — **Sheldeen Joy Talavera**