

Philippine Stock Exchange index (PSEi)

6,741.07

▼4.39 PTS.

▼0.06%

MONDAY, APRIL 8, 2024

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P614.00 -P6.00 -0.97%	ACEN ACEN Corp. P3.70 -P0.07 -1.86%	AEV Aboltiz Equity Ventures, Inc. P42.90 +P0.25 +0.59%	AGI Alliance Global Group, Inc. P10.06 +P0.07 +0.7%	ALI Ayala Land, Inc. P29.75 -P0.85 -2.78%	BDO BDO Unibank, Inc. P151.80 -P2.20 -1.43%	BLOOM Bloomerry Resorts Corp. P11.00 +P0.02 +0.18%	BPI Bank of the Philippine Islands P114.50 +P0.30 +0.26%	CNPF Century Pacific Food, Inc. P36.50 -P0.30 -0.82%	CNVRG Converge ICT Solutions, Inc. P9.50 +P0.27 +2.93%
DMC DMCI Holdings, Inc. P12.18 +P0.02 +0.16%	EMI Emperador, Inc. P18.54 -P0.06 -0.32%	GLO Globe Telecom, Inc. P1,759.00 +P9.00 +0.51%	GTCAP GT Capital Holdings, Inc. P699.00 +P4.00 +0.58%	ICT International Container Terminal Services, Inc. P326.00 ---	JFC Jollibee Foods Corp. P236.00 +P6.00 +2.61%	JGS JG Summit Holdings, Inc. P33.00 -P0.70 -2.08%	LTG LT Group, Inc. P9.98 +P0.09 +0.91%	MBT Metropolitan Bank & Trust Co. P68.00 ---	MER Manila Electric Co. P358.00 +P4.00 +1.13%
MONDE Monde Nissin Corp. P10.98 -P0.02 -0.18%	NIKL Nickel Asia Corp. P3.95 +P0.02 +0.51%	PGOLD Puregold Price Club, Inc. P24.50 +P0.20 +0.82%	SCC Semirara Mining and Power Corp. P29.95 -P3.70 -11%	SM SM Investments Corp. P970.00 -P5.00 -0.51%	SMC San Miguel Corp. P102.20 -P0.80 -0.78%	SMPH SM Prime Holdings, Inc. P31.60 +P1.00 +3.27%	TEL PLDT Inc. P1,392.00 +P52.00 +3.88%	URC Universal Robina Corp. P102.00 -P1.50 -1.45%	WLCON Wilcon Depot, Inc. P16.00 ---

Hotel101 to list on Nasdaq via SPAC merger deal

HOTEL 101 Global Pte. Ltd. (Hotel101), a unit of Philippine-listed property developer DoubleDragon Corp., is nearing its planned listing on the Nasdaq Stock Exchange with a valuation of over \$2.3 billion (P130 billion) following a merger deal with a special purpose acquisition company (SPAC) in the United States.

Hotel101, a hotel property technology operator, and JVSPAC Acquisition Corp. have entered into a "binding definitive merger

agreement," DoubleDragon said in an e-mailed statement on Monday.

The deal is expected to close in the second half of the year.

"Upon completion of the business combination transaction, the combined entity is expected to be publicly listed on the US NASDAQ under the ticker symbol 'HBNB,'" DoubleDragon said.

Sought for comment, Alfred Benjamin R. Garcia, research head at AP Securities, Inc., said in a Viber message that the P130-

billion market valuation of HBNB will exceed the value of its parent company, DoubleDragon, by more than six times. DoubleDragon currently has a market capitalization of P19.67 billion.

"With an expanded capital base and access to the thriving US equities market, this listing of Hotel101 on Nasdaq could help accelerate its plans to expand to 25 countries by 2026," he said.

COL Financial Group, Inc. Chief Equity Strategist April

Lynn C. Lee-Tan said Hotel101's upcoming listing could spur other Philippine companies to consider listing in the US.

"If it is easy for them to raise capital in the US, then I don't see why not. The problem in the Philippines is that valuations are so low. The question is, if they list in the US, will they get better valuations? Will there be buyers?" she said.

"If a business will only focus on the Philippine market, it might

not be as attractive to global investors," she added.

Hotel101 is aiming to have one million rooms across more than 100 countries.

It seeks to have presence in 25 countries by 2026. These include Philippines, Japan, Spain, United States, United Kingdom, the United Arab Emirates, India, China, Thailand, Malaysia, Vietnam, Indonesia, Singapore, Cambodia, Bangladesh, Mexico, South Korea, Australia, Canada,

Switzerland, Turkey, Italy, Germany, France, and Saudi Arabia.

Hotel101 recently began development on a 680-room hotel in Madrid, Spain. It is also constructing a 482-room hotel in Hokkaido, Japan.

The company also previously secured a 3,647-square meter commercial lot in Los Angeles, California, for its first hotel in the US.

On Thursday, DoubleDragon shares rose by 13.53% or P1 to P8.39 apiece. — **Revin Mikhael D. Ochave**

Shari'ah-compliant securities reduced to 53 — PSE

THE Philippine Stock Exchange (PSE) announced on Monday that 53 companies are Shari'ah-compliant, down from 55 previously.

Three securities were removed from the list, while one was added, the PSE said, citing its quarterly screening for the period ending March 25.

The new list does not include Greenergy Holdings, Inc., PFTC Redevelopment Corp., and Marcventures Holdings, Inc. The PSE added Victorias Milling Company, Inc.

The PSE releases the updated list of Shari'ah-compliant securities every quarter. The market operator issued the previous list on Jan. 8, covering the period ending Dec. 25, 2023.

Shari'ah refers to the moral and religious code of Islam that covers rules, regulations, teachings, and values governing the lives of Muslims.

"Shari'ah-compliant investment instruments create a mechanism for listed companies to gain access to potential funding from Islamic investors including those in countries in the Middle East and other countries with high Islam population such as Malaysia and Indonesia," the PSE said.

The adoption of Shari'ah in the Philippine capital market allows local Islamic investors to comfortably participate in the Philippine business community as well as to create an ethical investment climate, it also said.

The PSE tapped the services of IdealRatings, Inc. to assess listed companies in accordance with Shari'ah standards under the Accounting and Auditing Organization for Islamic Financial Institutions.

IdealRatings looks at companies' adherence to Shari'ah standards in terms of their business activities and financial ratios.

Under the business screening, the income of companies derived from activities such as adult entertainment, alcohol, cinema, defense & weapons, financial services, gambling, gold and silver hedging, interest-bearing investments, music, pork, and tobacco must be less than 5%.

In terms of financial ratio screening, a company's cash or interest-bearing deposits or investments should not exceed 30% of its market capitalization, while its interest-bearing debt should not go beyond 30% of its market capitalization.

"Through the screening process, securities that are engaged in activities involved in Haraam (impermissible or unlawful) will be taken out from the list of Shari'ah compliant stocks," the PSE said. — **Revin Mikhael D. Ochave**

Repower Energy signs deal with NIA for small hydropower projects

RENEWABLE ENERGY developer Repower Energy Development Corp. (REDC) announced on Monday an agreement with the National Irrigation Administration (NIA) for the development of mini hydropower plants.

The company and NIA have signed a memorandum of understanding seeking to develop mini hydropower plants in three areas where the agency has existing infrastructure, the company said in a statement.

REDC had requested NIA's permission to conduct comprehensive studies on the economic, financial, and technical viability of the projects.

These projects cover the river irrigation systems in Brgy. Dapdap in Tayabas, Quezon; Brgy. Sta. Justina in Iriga City, Camarines Sur; and Brgy. Poblacion in Pilar, Bohol.

"We would like to thank NIA Administrator Eddie Guillen and the entire organization for their trust and confidence in REDC by allowing us to develop and integrate mini hydropower plants into their existing infrastructure," REDC President

Eric Peter Y. Roxas was quoted as saying.

"These will benefit the Filipino people through renewable energy that will be delivered to their households. At the same time, these projects are designed to uphold the property rights of Filipino farmers so that they can continue with their livelihood," he added.

REDC is a run-of-river hydropower developer, a subsidiary of Pure Energy Holdings, which has 124 megawatts (MW) of mini-hydropower projects clustered in Laguna, Quezon, Camarines Sur, Bukidnon, and other provinces under development.

The company is currently constructing a 4.5-MW hydropower plant in Quezon and a 20-MW plant in Bukidnon. Both plants are targeted to start operations by the fourth quarter of 2025.

For the third quarter, the company reported an attributable net income of P36.51 million, up 19.3%. Gross revenues went down by 11.9% to P103.26 million.

At the local bourse on Monday, shares of the company went down by P0.20 or 3.33% to close at P5.80 each. — **Sheldeen Joy Talavera**

Century Pacific Food income jumps 12% to P5.6B

PO-LED Century Pacific Food, Inc. (CNPF) recorded a 12% increase in its 2023 net income to P5.6 billion, driven by higher sales.

The listed food and beverage manufacturer saw an 8% growth in revenues to P67.1 billion despite the softening of its original equipment manufacturer (OEM) exports segment, CNPF said in a regulatory filing on Monday.

CNPF said its branded segment, which accounted for majority of sales, recorded an 11% sales growth, led by the milk, marine, and meat segments.

The branded segment also includes products such as pet food, coconut, refrigerated food, and plant-based alternatives.

The company saw a 4% decline in its OEM tuna and coconut exports segment due to

the supply chain challenges and elevated commodity costs that led to softer markets.

"The branded business continued to exhibit resilience amidst a volatile macroeconomic environment. Our primary focus is on delivering affordable nutrition through our vast assortment of brands and products spanning multiple price tiers — our way of providing value to our consumers in both good and challenging times," CNPF Chief Financial Officer Richard Kristofer S. Manapat said.

CNPF recorded a 15% increase in earnings before interest, taxes, depreciation, and amortization to P8.7 billion as a result of gross margin expansion and "efficient" operating expenses management.

"On the whole, we are pleased to deliver consistent and profit-

able growth despite operating in a volatile environment in 2023. We attribute this to the all-weather nature of our business model, diversified portfolio, and prudent usage of our resources," Mr. Manapat said.

"We ended the year on solid footing, putting us in a good position to reinvest in growth and sustainability as well as to provide our shareholders with a healthy return on their investment," he added.

CNPF generated P8.4 billion in operating cash flows last year, of which P1.4 billion was released as dividends, while P1.5 billion was reinvested in capital expenditures for capacity expansion and for renewable energy initiatives.

The company expanded its solar capacity to 8.8 megawatts and commissioned a new biomass

boiler that can be fueled by coconut shells.

Meanwhile, Mr. Manapat said that CNPF aims to grow its top line and bottom line in the low double-digit territory this year.

"We are only in the early days of 2024... We plan to reinvest gains from improving commodities into growth and expansion, as we continue to focus on affordability and providing better, healthier food options to Filipino consumers," he said.

CNPF's brands include Century Tuna, Argentina, 555, Ligo, and Birch Tree. The company is also one of the leading providers of private label tuna and coconut products for export.

CNPF shares fell by 0.82% or 30 centavos to P36.50 apiece on Monday. — **Revin Mikhael D. Ochave**

Security Bank, Mitsubishi Motors to form JV

SECURITY BANK Corp. (Security Bank) announced on Monday a partnership with Mitsubishi Motors Corp. (Mitsubishi Motors) to offer financing services to the latter's customers in the Philippines.

The two companies will form a joint venture (JV), which is expected to start operations next year, with Mitsubishi Motors holding 51% ownership stake and Security Bank holding 49%, Security Bank said in a disclosure to the local bourse.

The entity will offer sales financing instruments and services to Mitsubishi Motors' customers and dealers in the Philippines through Security Bank.

"This joint venture is in line with Security Bank's commitment to provide superior customer experiences through our BetterBanking brand promise," Security Bank President and Chief Executive Officer Sanjiv Vohra said.

"By combining the strengths of both Mitsubishi Motors and Security Bank through this new company, we are in the best position to offer enhanced auto financing services to match our customers' needs. This means more attractive promos, competitive financing packages, and fast decisioning. Thus, we deliver better value to customers," he added.

Filipinos typically rely on financing when buying cars, Security Bank noted.

"This is our 61st year in business in the Philippines, where we now have a strong presence and a large market share," Mitsubishi Motors Executive Vice-President Tatsuo Nakamura said.

"Through this joint venture, we hope we can provide Mitsubishi Motors vehicles to more customers in this ever-expanding market," he added. — **Aaron Michael C. Sy**

PRA targets 77,000 retirees with exclusive discounts at Fiesta Mall, Luxe Duty Free

THE Philippine Retirement Authority (PRA) and Duty Free Philippines Corp., both under the Department of Tourism, have signed an agreement granting exclusive discounts of up to 20% to PRA retiree members at Fiesta Mall and Luxe Duty Free.

"There are 77,000 retirees all over the Philippines. Hopefully, all of them will be mobilized to get something from here," PRA General Manager and Chief Executive Officer Roberto Z. Zozobrado said in an interview.

Duty Free will offer special discounts to PRA retiree members and their families at Fiesta Mall and Luxe Duty Free. To avail of these discounts, retirees must visit the stores in person and present their special resident

retiree's visa (SSRV) or SSRV identification cards. Discounts include 10% off on regular days and 20% off on special occasions and events.

The partnership aims to contribute to achieving a trade surplus in travel services this year, leveraging the spending power of retirees, Mr. Zozobrado said.

Last year, the Philippines recorded a net trade surplus of \$2.45 billion in travel services for the first time in 15 years, with travel services and export receipts reaching \$9.1 billion.

"What we are doing now is trying to get as many merchant partners as we can, not only for merchandise but also for other aspects needed by retirees to enjoy themselves here in the Philippines," Mr. Zozobrado said.



DUTYFREE FACEBOOK PAGE

"We want them to discover and enjoy the sweetness of doing nothing here in the Philippines. And when you say sweetness of doing nothing, it's something that is found only in the Philippines and not anywhere else," he added. — **Justine Irish D. Tabile**