

Philippine Stock Exchange index (PSEi)

6,604.25

▲ 92.32 PTS.

▲ 1.41%

MONDAY, MAY 13, 2024

BusinessWorld

## PSEi MEMBER STOCKS

|   |   |   |   |   |  |   |   |   |   |
|---|---|---|---|---|--|---|---|---|---|
| <b>AC</b><br>Ayala Corp.<br>P583.00<br>-P4.00 -0.68%          | <b>ACEN</b><br>ACEN Corp.<br>P4.57<br>+P0.06 +1.33%       | <b>AEV</b><br>Aboltiz Equity<br>Ventures, Inc.<br>P38.80<br>-P0.95 -2.39% | <b>AGI</b><br>Alliance Global<br>Group, Inc.<br>P9.60<br>---                | <b>ALI</b><br>Ayala Land, Inc.<br>P27.75<br>+P0.55 +2.02%                                     | <b>BDO</b><br>BDO Unibank, Inc.<br>P141.80<br>+P3.00 +2.16%    | <b>BLOOM</b><br>Bloomerry Resorts<br>Corp.<br>P10.18<br>---       | <b>BPI</b><br>Bank of the<br>Philippine Islands<br>P126.00<br>+P3.80 +3.11% | <b>CNPF</b><br>Century Pacific<br>Food, Inc.<br>P34.70<br>-P0.80 -2.25%   | <b>CNVRG</b><br>Converge ICT<br>Solutions, Inc.<br>P8.85<br>+P0.06 +0.68% |
| <b>DMC</b><br>DMCI Holdings, Inc.<br>P10.80<br>+P0.08 +0.75%  | <b>EMI</b><br>Emperador, Inc.<br>P18.38<br>-P0.02 -0.11%  | <b>GLO</b><br>Globe Telecom, Inc.<br>P1,830.00<br>+P40.00 +2.23%          | <b>GTCAP</b><br>GT Capital Holdings,<br>Inc.<br>P641.00<br>+P21.00 +3.39%   | <b>ICT</b><br>International Container<br>Terminal Services, Inc.<br>P361.00<br>+P15.40 +4.46% | <b>JFC</b><br>Jollibee Foods Corp.<br>P218.80<br>-P3.20 -1.44% | <b>JGS</b><br>JG Summit Holdings, Inc.<br>P31.80<br>+P0.10 +0.32% | <b>LTG</b><br>LT Group, Inc.<br>P10.02<br>-P0.02 -0.2%                      | <b>MBT</b><br>Metropolitan Bank<br>& Trust Co.<br>P71.90<br>+P3.20 +4.66% | <b>MER</b><br>Manila Electric Co.<br>P372.00<br>-P2.00 -0.53%             |
| <b>MONDE</b><br>Monde Nissin Corp.<br>P11.70<br>+P0.40 +3.54% | <b>NIKL</b><br>Nickel Asia Corp.<br>P4.02<br>-P0.15 -3.6% | <b>PGOLD</b><br>Puregold Price<br>Club, Inc.<br>P24.20<br>---             | <b>SCC</b><br>Semirara Mining and<br>Power Corp.<br>P31.60<br>+P0.05 +0.16% | <b>SM</b><br>SM Investments Corp.<br>P885.00<br>+P5.00 +0.57%                                 | <b>SMC</b><br>San Miguel Corp.<br>P103.40<br>-P1.30 -1.24%     | <b>SMPH</b><br>SM Prime Holdings, Inc.<br>P26.80<br>+P0.05 +0.19% | <b>TEL</b><br>PLDT Inc.<br>P1,460.00<br>+P55.00 +3.91%                      | <b>URC</b><br>Universal Robina Corp.<br>P110.30<br>+P0.30 +0.27%          | <b>WLCON</b><br>Wilcon Depot, Inc.<br>P18.38<br>-P0.08 -0.43%             |

## ICTSI to build \$800-M terminal in Bauan, Batangas

INTERNATIONAL Container Terminal Services, Inc. (ICTSI) is set to build a container terminal in Bauan, Batangas, valued at \$800 million, the Razon-led port operator announced on Monday.

"The new terminal represents a significant leap forward for Southern Luzon. We are building a world-class facility that will unlock a wave of economic benefits for the region and the country," ICTSI Executive Vice-President Christian R. Gonzales said in a statement.

The construction of the new international container terminal will begin by the first quarter of

2025 and will be the second largest container facility next to the Manila International Container Terminal (MICT), ICTSI said.

"With the first berth scheduled for completion by the end of 2027, the terminal will become a catalyst for economic growth across Southern Luzon, creating jobs and accelerating regional development," ICTSI said.

Once completed, the terminal is expected to draw economic growth across Southern Luzon by creating additional jobs and helping accelerate regional development, the company said.

The terminal will have a capacity of more than two million twenty-foot equivalent units capacity, featuring up to 900 meters of quay and about eight ship-to-shore gantry cranes.

Located about a hundred and 20 kilometers south of the Philippines' capital, the Bauan facility will become the premier international gateway for shippers based in the Calabarzon or the Cavite, Laguna, Batangas, Rizal, and Quezon region.

ICTSI said the terminal will also help advance the country's renewable energy goal by being

able to provide marine handling needs required for renewables such as offshore wind projects.

"The facility will likewise allow ICTSI to efficiently balance capacity needs across both the Metro Manila consumption center and Calabarzon through the new Bauan terminal and the MICT," ICTSI said.

For the first quarter, ICTSI saw its attributable net income jump by 35.7% to \$209.88 million for the first quarter, boosted by its international portfolio.

For the January-to-March period, the company's attributable

net income went up to \$209.88 million, marking a 35.7% increase from \$164.61 million in the same period last year.

The company's combined revenues surged to \$637.65 million, up by 11.4% from \$572.25 million a year earlier, its financial report showed.

Broken down, its US operations accounted for the majority, or about 41.1% of its revenues at \$262.27 million; Asia at \$259.37 million or 40.7%, and EMEA or Europe, the Middle East, and Africa's operations at \$116.01 million, accounting for 18.2%.

This year, ICTSI has allocated \$450 million for its capital expenditures earmarked for its recently acquired terminal in Iloilo, the Visayas Container Terminal, formerly known as the Iloilo Commercial Port Complex; expansion in Brazil; the development of the East Java Multipurpose Terminal in Indonesia; and its ongoing expansions in Mexico and the Democratic Republic of Congo.

At the stock exchange on Monday, shares in the company gained P15.40 or 4.46% to and at P361 apiece. — **Ashley Erika O. Jose**

## SEC greenlights EDC's P10-B green bond offering

THE Energy Development Corp. (EDC) said it has obtained approval from the Securities and Exchange Commission (SEC) to issue green bonds worth P10 billion.

In a statement on Monday, the company announced that the offering is the second tranche of EDC's fixed-rate ASEAN green bonds, part of a shelf registration totaling P15 billion in aggregate principal amount.

The second tranche consists of P6 billion in total principal amount, with an oversubscription option of up to P4 billion.

EDC plans to offer the sale of green bonds from May 13 to May 17.

BDO Capital & Investment Corp. and BPI Capital Corp. have been appointed as joint issue managers.

Additionally, BDO Capital, BPI Capital, Chinabank Capital Corp., and SB Capital In-

vestment Corp. have been named as joint lead underwriters and joint bookrunners.

RCBC Trust Corp. will serve as the trustee, while RCBC Capital Corp. will act as the selling agent for the transaction.

"This second tranche ASEAN green bonds will support the growth and resiliency of our renewable energy portfolio as we serve the growing economy's increasing energy needs while pursuing the country's decarbonization and net zero journey," EDC President and Chief Operating Officer Jerome H. Cainglet said.

Mr. Cainglet said that the green bonds will be part of the company's P60-billion capital investment program for its drilling operations program over the next three years and its renewable energy growth initiatives.

The green bonds will partially fund the company's geothermal and battery expansion projects, as well as resiliency and maintenance capital expenditure projects.

EDC said that its green bonds are priced at the lowest end of the range of 6.7478%, 6.8873%, and 7.0626% for the three-year, five-year, and seven-year series, respectively, and have been rated "PR3 Aaa," with a stable outlook by the Philippine Rating Services Corp.

The company listed the first tranche of P5 billion with the Philippine Dealing & Exchange Corp. in 2021.

EDC is a subsidiary of Lopez-led First Gen Corp. that is primarily engaged in the exploration, development, operation, and optimization of geothermal steamfields, and in power generation. — **Sheldeen Joy Talavera**

## PXP to increase stake in Forum Energy Ltd.

PANGLINAN-LED PXP Energy Corp. is gearing up to boost its ownership in Forum Energy Ltd.

The move comes after its board of directors greenlit a share swap with Hong Kong's Tidemark Holdings Ltd.

PXP's board approved the issuance of 430,243,903 common shares in exchange for 24,125,383 shares held by Tidemark in Forum Energy, the company said in a regulatory filing on Monday.

Subject to confirmation by the Securities and Exchange Commission, PXP said it intends to issue its shares to Tidemark at an aggregate value of P1,557,482,928.86, at an issue price of P3.62 per share.

Tidemark's shares are valued at P1,557,482,928.86, or approximately P64.5579 per share.

The shares will be exchanged at a share-swap ratio of approximately 17.8337 PXP shares to one Tidemark share.

"PXP shall submit the required comprehensive corporate disclosure on the transaction within the period set under the Philippine Stock Exchange (PSE) Listing Rules. PXP shall apply for the listing of the PXP shares with the PSE and shall obtain the shareholder approval of the transaction for this purpose," the company said.

After the share swap, the company's effective interest in Forum Energy will increase to 97.88% from 77.88% previously. Its effective interest in Service Contract No. 72 will also rise to 68.5% from 54.5%.

Trademark will then own 18% of the resulting total issued and outstanding capital stock of PXP.

"The share-swap ratio is supported by a valuation report, and the fairness of the share-swap ratio was confirmed by the fairness opinion, issued by PwC Philippines - Isla Lipana & Co., an independent expert qualified to issue the report under applicable accrediting guidelines of the PSE," the company said.

PXP's board also approved the amendment of the Articles of Incorporation (AoI) to increase the number of seats in the company's board of directors to 15 members. "The proposed Share Swap and the AoI amendment shall be submitted for shareholder approval during the meeting on 26 June 2024. The transaction will be indicated in PXP's Definitive Information Statement," the company said.

Tidemark is a wholly owned subsidiary of publicly listed Atok Big Wedge Co., Inc. PXP and Tidemark are shareholders of Forum Energy, a corporation organized under the laws of the United Kingdom.

Forum Energy, through its wholly owned subsidiary Forum (GSEC 101) Limited, is the designated operator of Service Contract No. 72 with a 70% participating interest.

The service contract covers the Recto Bank located in the West Philippine Sea. — **Sheldeen Joy Talavera**

## Megaworld earmarks P55 billion for expansion

TAN-LED Megaworld Corp. said it has allocated P55 billion for its capital expenditure (capex) budget this year to support its expansion plans.

"This year, Megaworld has budgeted P55 billion for capex, which is an important part of our overall P350-billion five-year capex program that began in 2023," Megaworld Executive Vice-President Kevin Andrew L. Tan said during the company's annual stockholders meeting on Monday.

"The budget will be used to develop our existing and upcoming townships, residential projects,

investment properties, as well as land acquisition," he added.

Megaworld aims to have three million square meters (sq.m.) of gross leasable area (GLA) under its leasing portfolio by 2030 for both Megaworld Premier Offices and Megaworld Lifestyle Malls.

By 2030, Megaworld said its office space GLA will reach two million sq.m., while mall GLA will reach one million sq.m. The figure is 52% higher than the company's total leasing portfolio as of end-2023.

Megaworld will finish around 180,000 sq.m. of offices and about

100,000 sq.m. of mall and commercial retail spaces this year.

The new office supply will come from Megaworld townships in Bulacan, Pampanga, Cavite, Bacolod, and Metro Manila, while the new retail spaces will be sourced from new mall properties in Cavite, Rizal, Pampanga, Bulacan, Bacolod, Cebu, Davao, Boracay, and Palawan.

"Growing our malls and office segments within the next six years is a big part of our continuing expansion," Mr. Tan said.

In 2023, the company increased its office portfolio under

Megaworld Premier Offices by 69,000 sq.m. of GLA to 1.5 million sq.m. following the turnover of the International Finance Center in Uptown Bonifacio.

Megaworld Lifestyle Malls increased its GLA by 33,000 sq.m. to 517,000 sq.m. with the opening of four new retail locations in various Megaworld townships.

Megaworld is the property unit of the Tan family's holding company Alliance Global Group, Inc.

On Monday, Megaworld shares rose by 1.14% or two centavos to P1.78 per share. — **Revin Mikhael D. Ochave**

## Lawmaker seeks to expand Meralco service area

MORE than 30 areas outside the franchise area of Manila Electric Co. (Meralco) have expressed interest in being served by the power distributor, House Committee on Ways and Means Chairman and Albay Rep. Jose Maria Clemente "Joey" S. Salceda said on Monday.

"At least 29 municipalities and cities and at least four provinces outside the franchise area have formally expressed interest to be served by Meralco," Mr. Salceda said in a statement.

The lawmaker has filed House Bill No. 9793, which seeks to extend the power distributor's existing franchise set to expire in 2028. The bill also aims to expand the scope of the company's operations, a provision absent in its current franchise under Republic Act No. 9209, signed into law in June 2003.

"The case for renewing Meralco's franchise is plain and simple: it has complied with the conditions of the franchise law and it is good for the economy and the consumer," he said.

"Meralco provides the most reliable service among all major electric cooperatives and distribution utilities (ECDUs), with outages suffered by the average consumer totaling to mere minutes in an entire year, versus days or weeks worth of blackouts for other neighboring ECDUs," Mr. Salceda added.

He said that under a scenario where all ECDUs functioned comparably to Meralco, it could potentially lead to an annual increase of P201 billion in gross value added to the economy, attributed to the avoidance of outages.

## PARTNERSHIP

Meanwhile, Meralco said it has teamed up with the Japanese Chamber of Commerce and Industry of the Philippines, Inc. (JC-CIPI) to promote sustainable, innovative and energy efficient solutions in the energy sector.

"Meralco can provide expertise in the energy sector while JCCPI can contribute technological advancement and in-

vestment. This collaboration can result in sustainable energy solutions," Bernice Gretchel P. Garcia-Rama, Meralco's head of enterprise-commercial and conglomerates, said in a statement on Monday.

For his part, JCCPI Vice-President Nobuo Fujii said: "Through this partnership, we aim to harness the power of innovative technology from Japanese companies, coupled with Meralco's expertise in the energy sector, to drive forward sustainable solutions in the Philippines."

JCCPI is a private and nonprofit organization consisting of Japanese or Japanese-related companies and organizations in the Philippines.

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 Media-Quest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Sheldeen Joy Talavera**

## Globe secures P1.5B from tower sales

GLOBE Telecom, Inc. on Monday said it has completed the sale of its 100 towers to PhilTower Consortium, Inc. (PhilTower) for P1.5 billion.

Overall, Globe has closed the sale of 1,100 towers, representing 80% of the 1,350 towers to be acquired by PhilTower, the company said in a regulatory filing.

"The transaction will result in availability of funds for Globe to support future capital expenditures, debt repayments and debt avoidance with the expectation to improve the balance sheet health of the company," it said.

In September last year, Globe signed an agreement with PhilTower for the sale of 1,350 telecommunication towers and related passive infrastructure for about P20 billion.

For this year, Globe is allocating \$1 billion for its capital expenditures funded by internally generated funds, debts and proceeds from its tower sales.

PhilTower is a local tower company. It builds shared telecommunication infrastructure for mobile operators.

At the stock exchange on Monday, shares in the company closed P40 or 2.23% higher at P1,830 apiece. — **Ashley Erika O. Jose**