

Philippine Stock Exchange index (PSEi)

6,509.86

▲ 68.54 PTS.

▲ 1.06%

THURSDAY, JUNE 6, 2024
BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P598.00 +P8.00 +1.36%	ACEN ACEN Corp. P4.73 +P0.14 +3.05%	AEV Aboitiz Equity Ventures, Inc. P37.90 +P0.20 +0.53%	AGI Alliance Global Group, Inc. P8.73 +P0.12 +1.39%	ALI Ayala Land, Inc. P28.00 +P0.15 +0.54%	BDO BDO Unibank, Inc. P138.00 ---	BLOOM Bloomerry Resorts Corp. P10.50 ---	BPI Bank of the Philippine Islands P120.00 ---	CNPF Century Pacific Food, Inc. P35.35 -P0.65 -1.81%	CNVRG Converge ICT Solutions, Inc. P10.40 -P0.22 -2.07%
DMC DMCI Holdings, Inc. P11.48 +P0.18 +1.59%	EMI Emperador, Inc. P18.90 ---	GLO Globe Telecom, Inc. P1,995.00 +P18.00 +0.91%	GTCAP GT Capital Holdings, Inc. P592.00 -P3.50 -0.59%	ICT International Container Terminal Services, Inc. P353.80 +P18.80 +5.61%	JFC Jollibee Foods Corp. P228.80 +P5.80 +2.6%	JGS JG Summit Holdings, Inc. P30.55 +P1.10 +3.74%	LTG LT Group, Inc. P9.99 +P0.04 +0.4%	MBT Metropolitan Bank & Trust Co. P68.60 +P0.95 +1.4%	MER Manila Electric Co. P359.20 +P1.20 +0.34%
MONDE Monde Nissin Corp. P10.80 +P0.02 +0.19%	NIKL Nickel Asia Corp. P4.00 -P0.05 -1.23%	PGOLD Puregold Price Club, Inc. P25.15 +P0.45 +1.82%	SCC Semirara Mining and Power Corp. P32.70 -P0.15 -0.46%	SM SM Investments Corp. P851.00 +P1.00 +0.12%	SMC San Miguel Corp. P100.70 -P0.70 -0.69%	SMPH SM Prime Holdings, Inc. P27.10 +P0.20 +0.74%	TEL PLDT Inc. P1,434.00 +P8.00 +0.56%	URC Universal Robina Corp. P109.50 +P1.50 +1.39%	WLCON Wilcon Depot, Inc. P19.38 -P0.18 -0.92%

RLC to boost REIT unit with P33.9-B asset infusion

By Revin Mikhael D. Ochave
Reporter

GOKONGWEI-LED Robinsons Land Corp. (RLC) will infuse 13 commercial assets into its real estate investment trust (REIT) unit in exchange for P33.9 billion worth of primary common shares under a property-for-share swap deal.

In separate disclosures on Thursday, RLC and RL Commercial REIT, Inc. (RCR) said their respective boards approved a property-for-share swap transaction between the two companies that is seen to bolster the latter's portfolio.

RLC will subscribe to 4.99 billion RCR primary shares at P6.80 apiece, equivalent to P33.92 billion in exchange for 13 commercial assets covering 347,329 square meters (sq.m.) of gross leasable space (GLA).

The transaction brings RCR's GLA to 827,808 sq.m. from the previous 480,479 sq.m.

"The assets have been selected based on RCR's investment criteria of maximizing dividend yield accretion through the infusion of high-quality commercial properties that complement the company's existing portfolio of sixteen premium assets," RCR said.

The properties involved in the swap deal include 11 malls totaling 278,526 sq.m. of leasable space namely, Robinsons Novaliches, Robinsons Cainta, Robinsons Luisita, Robinsons Cabanatuan, Robinsons Lipa, Robinsons Sta. Rosa, Robinsons Imus, Robinsons Los Baños, Robinsons Palawan, Robinsons Ormoc, and Cybergate Davao.

The deal also includes two office assets totaling 68,803 sq.m. of leasable space, namely Giga Tower in the Bridgetowne Destination Estate, Quezon City, and Cybergate Delta 2 in Davao City.



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"The planned asset infusion will diversify our predominantly office asset portfolio with the inclusion of mall assets. This is in line with RCR's commitment to shareholders to continuously grow the company," RCR President and Chief Executive Officer Jericho P. Go said in a separate statement.

"Our fund manager, RL Fund Management, Inc., has identified the assets that will maximize the additional value delivered to our shareholders," he added.

RLC said the transaction is still subject to regulatory approval and will be presented for stockholders' approval during RCR's special stockholders' meeting on July 15, to be completed within the year.

"Revenues shall accrue to RCR starting on April 1, 2024, subject to the approval of the stockholders and pertinent regulatory bodies. The company targets to secure reg-

ulatory approvals for the property-for-share swap within the year," it said.

"After the infusion, RCR will remain as the Philippine REIT with the widest geographical reach, with assets in eighteen key locations," it added.

Sought for comment, AP Securities, Inc. Research Analyst Jose Antonio B. Cipres said in a Viber message that the transaction bodes positively for RCR.

"We see this as a positive progression for the company especially given the cloudy atmosphere surrounding offices primarily due to the emergence of work-from-home setups. We reiterate our bullishness towards the mall segment on the back of eventual pickup in consumer demand which would in turn boost mall occupancy," he said.

"This is positive as well as majority of their infusions right now is outside

Metro Manila wherein demand is currently shifting," he added.

Mr. Cipres added that the transaction makes RCR more attractive to investors.

"The infusion is a substantial addition of 72.3% to RCR's current GLA. It makes RCR all the more attractive not only because of its higher yield versus other REITs but also its diversification strategy," he said.

For the first quarter, RCR's net income rose by 4% to P1.12 billion. Its current investment portfolio following the infusion includes about 1.4 million sq.m. of leasable mall spaces, approximately 253,000 sq.m. of remaining leasable office spaces, 26 hotels with a total of 4,243 room keys, and 244,000 sq.m. of leasable logistics facilities.

On Thursday, RCR shares rose by 3.8% or 19 centavos to P5.19 apiece while RLC stocks gained by 0.51% or eight centavos to P15.68 per share.

Meralco tapped to supply power for RLC projects

MANILA Electric Co. (Meralco) announced on Thursday a partnership with Robinsons Land Corp. (RLC) to energize the latter's two upcoming real estate developments set to be operational by 2026.

Meralco will provide power support for Sierra Valley in Rizal province and The Jewel in Mandaluyong City, the company said in a statement.

"This partnership will enable us to provide our customers and residents with energy-efficient solutions that are both environmentally friendly and economically viable," RLC President and Chief Executive Officer Lance Y. Gokongwei said.

Over the past five years, Meralco has collaborated with RLC on various initiatives, including the installation of solar photovoltaic systems for NUSTAR Resort and Casino through its solar company, MSpectrum.

The property developer also tapped Meralco's sustainable mobility arm Movem for the installation of the electric vehicle charging stations in several Robinsons Malls in 2022.

Meralco said that 10 Robinsons Malls are part of the government's Interruptible Load Program within its franchise area, helping to unload 31 megawatts during periods of insufficient power supply in Luzon.

The power distributor has committed to investing in projects that "contribute to ensuring that the infrastructure to support the government's nation-building efforts are in place."

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 MediaQuest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Shelden Joy Talavera**

ACEN bolsters Palauig project via P8.7-billion subsidiary subscription

AYALA-LED ACEN Corp. has subscribed to additional shares in its subsidiary Giga Ace 8, Inc. worth P8.7 billion to fund a proposed 300-megawatt (MW) solar project in Palauig, Zambales.

"The subscription will provide additional funding for the proposed 300.011 MW-peak/237 MW AC Palauig Solar 2 Project," ACEN said in a statement on Thursday.

The subscription involves 26.09 million common A shares, 234.89 million redeemable preferred A shares, and 60.9 million redeemable preferred C shares.

Giga Ace 8 is a special purpose vehicle (SPV) for developing renewable energy projects in the Philippines.

An initial payment of P2.17 billion has been made by ACEN. Full payment is pending the necessary approvals from the Securities and Exchange Commission to increase the SPV's authorized capital stock.

The 300-MW Palauig Solar project has an estimated cost of P16 billion, which includes the construction of a 1,200 MW transmission line.

This project is near ACEN's existing 63 MW Palauig 1 Solar project, which began supplying energy to the Luzon grid in 2021.

"With Palauig 2 Solar being a crucial addition to ACEN's renewable energy expansion, the company aims to be a top partner in energy security in the Philippines, harnessing renewable energy resources to help achieve a 35% renewable energy share in the power generation mix by 2030," ACEN stated in January last year.

Currently, ACEN has approximately 4,700 MW of attributable capacity across the Philippines, Vietnam, Indonesia, India, and Australia.

On Thursday, ACEN shares rose by P0.13 or 2.83%, closing at P4.72 each on the stock exchange. — **Shelden Joy Talavera**

SEC approves P579.6-M NexGen Energy IPO

THE Securities and Exchange Commission (SEC) has approved NexGen Energy Corp.'s planned initial public offering (IPO), which is intended to raise up to P579.6 million.

The SEC en banc recently approved the registration statement of NexGen Energy, covering 1.49 billion shares, the commission said in a statement on Thursday.

NexGen Energy's IPO will consist of 300 million common shares priced at up to P1.68 each, while selling shareholder Pure Energy Holdings Corp. will offer up to 45 million shares at the same price as part of the overallment option.

Pure Energy, the parent company of NexGen Energy, is a holding company that has assets in hydropower, solar, wind, geothermal, as well as bulk water and distribution facilities.

The projected offer period is set from July 1 to 8, with listing on the Philippine Stock Exchange (PSE) scheduled for July 16, according to the company's preliminary prospectus dated May 31.

If realized, NexGen Energy will be the third company to go public this year, following OceanaGold (Philippines), Inc. and Saavedra-led Citicore Renewable Energy Corp.

NexGen Energy anticipates netting up to P478.4 million from

the offer, which will be used to partially finance its renewable energy projects in Zambales, Cavite, and other regions across the country. It will not receive proceeds from the sale of the overallment option shares by Pure Energy.

The company's shares will be listed and traded on the small, medium, and emerging board of the PSE.

For the offer, NexGen Energy has appointed Chinabank Capital Corp. as the sole issue manager and sole bookrunner, with Investment & Capital Corp. of the Philippines serving as joint lead underwriter.

Established in 2017, NexGen Energy currently operates three solar plants via its subsidiary SPARC — Solar Powered Agricultural Communities Corp., with an aggregate capacity of 13.859 megawatts-peak (MWp).

The company also has two other main subsidiaries, 5hour Peak Energy Corp. and Air-stream Renewables Corp., which are engaged in solar and wind projects, respectively.

NexGen Energy aims to develop 1,683 MW of ground-mounted and floating solar plants, and on-shore and offshore wind projects in the next five years. — **Revin Mikhael D. Ochave**

Singapore's Clime Capital invests in Mober's green fleet expansion

LOGISTICS company Mober Technology Pte., Inc. (Mober) has secured \$6 million from Singapore-based Clime Capital Management Pte. Ltd. to fund its green vehicle expansion.

"Not all funding is created equal. Having Clime Capital as an investor adds significant credibility to Mober and solidifies our commitment to sustainability. This partnership not only enhances our reputation but also accelerates our progress towards achieving our ambitious sustainability goals," Mober Chief Executive Officer Dennis O. Ng said in a media release on Thursday.

Mober secured the investment from the South East Asia Clean Energy Fund II (SEACEF II), which is being managed by Clime Capital.

The Singapore-based fund manager helps create investment opportunities for companies focusing on green projects.

"Clime Capital's blended finance model enables clean-energy entrepreneurs to scale their businesses to achieve financial sustainability while also generating positive environmental impact," said Clime Capital Chief Investment Officer Joshua Kramer.

Mober said the investment will help fast-track the rollout of its electric vehicle (EV) initiative in the Philippines.

"The SEACEF II investment will accelerate the transition of Mober's delivery fleet to EVs by enabling the company to overcome obstacles to EV adoption, particularly high up-front costs and the current challenges to EV asset financing in the Philippines," Mober said.

Mober is targeting to transition all its vehicles to full EV by 2025. It is also working to phase out its internal combustion engine or ICE vehicles by 2027.

Mober is a Philippine-based company that offers delivery services by tapping green-energy solutions. — **Ashley Erika O. Jose**