

April 2024

# PSE SPOTLIGHT

FEATURING:



Citicore Energy REIT Corp.

Citicore Energy REIT Corp. is the country's first and largest renewable energy REIT listed in the Philippine Stock Exchange. The company has a unique green asset portfolio totaling 7.1 million square meters of leasable area – geographically spread across the Philippine archipelago and leased out to solar power developers and operators. Its business operations is complemented by projects such as AgroSolar, EcoShed and Training 2 Employment to name a few.

<b>Stock Code</b>	CREIT
<b>Listing Board</b>	Main Board
<b>Sector – Subsector</b>	Property
<b>Listing Date</b>	Feb 22, 2022
<b>Outstanding Shares</b>	6,545,454,004
<b>Free Float Level</b>	38.21%
<b>Market Capitalization</b>	P18,589,089,371
<b>P/E Ratio</b>	13.64x
<b>Dividend Yield</b>	6.90%

As of 12 April 2024  
Source: PSE Data

[Company Profile](#)

## 1. What makes the CREIT an attractive investment for potential investors?

CREIT offers an attractive, above-industry dividend yield derived from stable lease operations with its asset portfolio having 100% occupancy from lessors. Furthermore, with a clear growth pipeline from its sponsor, CREIT will also provide potential share price appreciation over time.

## 2. What challenges has CREIT encountered, and what strategies were employed to overcome them effectively?

CREIT is largely insulated from major challenges as it is focused on purely leasing operations. CREIT has a unique business model that ensures occupancy is always at 100% with the 1:1 landlord to tenant ratio and the highest Weighted Average Lease Expiry in the REIT game. Even when its sponsor CREC's solar plants are still under construction, it still earns lease income as it follows the value accretive principal. However, the top risk for the company is primarily land acquisition issues. The key initiatives that minimize this risk are keeping the land acquisition process in-house and implementation of thorough due diligence programs.

## 3. What sustainability initiatives does CREIT have in place? How do they align with your long-term goals?

CREIT's asset portfolio is purely for the use of renewable energy plant operations. As such, CREIT plays a major role in the reduction of carbon emissions. In 2023 alone, the estimated carbon emission reduction of our lessors totaled 130,000 MT. As the portfolio and company grow, the contribution to positively impacting the environment also exponentially increases.

## 4. What recent trends or external developments pose significant risks to your company and how have they specifically affected the business? What risk-mitigating measures is your company taking or planning to implement to address said risks?

As mentioned, a major risk would not necessarily be at the CREIT level but its lessor, the RE plant operators. However, a thorough due diligence process done in-house, and the implementation of more advanced systems (SCADA and advanced cleaning systems) would minimize any risks in the day-to-day operations of the sponsor, CREC.

**5. How is the company doing in terms of its market position vis-à-vis its competitors in the industry? What are the key initiatives or programs being undertaken by the company to increase market share or gain an advantage over the competition?**

CREIT is the first and largest renewable energy REIT in the country. Its gross leasable area grew 4.3x since its IPO in 2022. Additionally, its unique position as the landlord of its sponsor which with aspirations to build 1 GW annually in the next five years provides potential to remain a market leader in the future.

**PSE Spotlight** is a short feature about listed companies that are part of PSE STAR Investor Day. The report, which offers a quick overview of a company, includes a description of its business, stock information, as well as answers to five interview questions provided by the company's management team. The interview questions typically revolve around the company's value proposition, business operations and landscape, challenges and opportunities, and strategic initiatives.

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