

July 2024

PSE SPOTLIGHT

FEATURING:

D.M. Wenceslao & Associates, Incorporated



DMW is an integrated property developer with expertise in land reclamation, construction, and real estate development. It is the master developer and primary owner of Aseana City, a development with a total land area of 107.5 hectares located along the coastal waters of Manila Bay.

Stock Code	DMW
Listing Board	Main Board
Sector – Subsector	Property - Property
Listing Date	June 29, 2018
Outstanding Shares	3,395,864,100
Free Float Level	20.04%
Market Capitalization	P18,982,880,319
P/E Ratio	2.59x
Dividend Yield	1.41%

As of 12 July 2024
Source: PSE Data

[Company Profile](#)

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

Grossly Undervalued

DMW is grossly undervalued, trading at an over 90% discount to NAV. Colliers International valued DMW's assets in Aseana City at over P240 billion as of December 2023. The company is in a net cash position and has additional assets outside of Aseana including in Makati and Cavite. DMW's NAV stands at over P250 billion whereas current market capitalization hovers at only P20 billion.

Robust Balance Sheet

DMW is in a net cash position and has one of the lowest leverage ratios in the industry.

Continuously Rising Dividends

DMW has consistently distributed rising annual cash dividends since its IPO in 2018.

In a Hyper-Growth Stage

DMW has almost tripled its commercial building GLA to 235,846 sq.m as of June 2024 from only 90,712 sq.m in 2020.

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


The remote work set-up during the pandemic has shifted demand away from boxed workspaces and forced offices to evolve into experiential hubs with advanced health and wellness facilities, green areas, and communal spaces that encourage social interaction and collaboration.

DMW's masterplan for Aseana City creates a holistic environment where one can work, socialize, and relax within the same vicinity. Public amenities are integrated within commercial developments like Parqal with features such as open plazas, landscaped pathways, and accessible retail options that enrich the daily experiences of locators.

Benefitting from increased demand for experiential hubs, Parqal now welcomes tens of thousands of daily visitors and is home to high quality retail, F&B, and office tenants.

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

Top 11% S&P Corporate Sustainability Assessment Global Rank as of January 2024

ESG Assessment	Rating
	<p>89th Percentile Rank or Top 11% Among a global universe of S&P-assessed real estate companies as of Jan 2024</p>

DMW entered into a retail electricity supply contract for 100% renewable energy in Aseana One, Aseana Two, Aseana Three, and 8912 Asean Ave beginning March 2025. Together, these properties account for ~60% of DMW's total commercial space in Aseana City.

DMW is actively engaged in discussions with various vendors for the installation of solar panels in select Aseana City buildings. The initial installations are scheduled for 2024.

DMW's flagship project mixed use – Parqal – has a 5-star Building for Ecologically Responsive Design Excellence (BERDE) certification from Philippine Green Building Council, emphasizing adherence to at least 35% reduction in peak energy consumption per person per square meter.

4. What makes Aseana City unique?

Aseana City is nestled between two massive recreational and entertainment districts – PAGCOR’s Entertainment City and the Mall of Asia Complex.

Aseana City boasts of a strategic location that is highly accessible and well-connected to major destinations. The country’s main gateway – Ninoy Aquino International Airport (NAIA) – is only 5 to 10 minutes away from Aseana City via the NAIA Expressway (NAIAx). The Paranaque Integrated Terminal Exchange (PITX), which provides a transport link to various CBDs in the Metro and to provincial destinations, is less than 2 kilometers away. Aseana’s strategic location is further augmented by a dedicated Aseana-Redemptorist station in the LRT Line 1 Cavite Extension, set to begin operations in 2024.

DMW is molding Aseana into a 15-Minute City through thoughtful planning and development of the mixed-use estate, prioritizing connectivity, accessibility, and community well-being. By integrating residential complexes, commercial spaces, educational institutions, healthcare facilities, and green spaces within close proximity, Aseana is forming a holistic urban ecosystem that caters to the diverse needs of the community.

Aseana City’s roster of esteemed institutions — such as St. Luke’s Medical Center, prestigious schools, and one of the country’s largest malls — underscores D.M. Wenceslao’s vision of a self-sustaining community where quality education, healthcare, and leisure activities are within reach. This convergence of world-class amenities cultivates a lively community and drives the holistic growth and development of Aseana City.

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.

© The Philippine Stock Exchange, Inc. (PSE). All rights reserved. This document is a property of the PSE and cannot be used or reproduced, distributed or forwarded by any person or company, in any form and in any manner, without the written consent of the PSE. Any and all unauthorized reproduction, distribution or forwarding of this document, in whole or in part, is subject to legal action.

This document is not intended for general circulation and does not, in any form, constitute legal, financial or investment advice and neither does it make any recommendation or endorsement to buy and/or sell any kind of investment product(s). The PSE reserves the right to make adjustments, omissions, corrections, and other similar actions to this document at any period of time. The PSE does not warrant or represent, expressly or impliedly, the accuracy, validity, correctness and completeness of the information stated in this document. The PSE, together with its affiliates and subsidiaries, expressly disclaim any and all liability arising from any actions or decisions made on the basis of this document, its content, and/or any changes, omission or error of the aforementioned.

Any views or opinions, either defamatory or complimentary, are solely those of the author/speaker and do not necessarily represent those of the PSE. The PSE together with its affiliates and subsidiaries will not accept any liability arising from the consequences of, and any actions or decisions made in respect to any statements expressed henceforth.