

**AYALA LAND INC. PIONEERS THE UTILIZATION OF e-SIP FOR ITS PHP 10 BILLION FIXED RATE BONDS**



*In the photo from left are: Philippine Dealing & Exchange Corp. President and CEO Antonino A. Nakpil, Philippine Depository & Trust Corp. President and CEO Ma. Theresa B. Ravalo, Securities and Exchange Commission Commissioner Ephyro Luis B. Amatong, Ayala Land Inc. (ALI) President & Chief Executive Officer Bernard Vincent O. Dy, ALI Chief Finance Officer, Chief Compliance Officer and Treasurer Augusto D. Bengzon, ALI Senior Vice President & Member, Management Committee Robert S. Lao, ALI Senior Vice President & Member, Management Committee Dante M. Abando, ALI Senior Vice President & Member, Management*

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**04 May 2021, Makati, Philippines** – Ayala Land Inc. (ALI) pioneers the utilization of the e-Securities Issue Portal (e-SIP) as they returned to the local debt market today where they have listed their PHP 10 Billion Fixed Rate Bonds Due 2025, the 6<sup>th</sup> tranche of its self-registered PHP 50 Billion securities program.

Pioneering is not new for ALI as not too long ago, they also pioneered the virtual listing ceremonies on PDEX, and are notably the pioneer issuers in the Public Listed Board and the Qualified Enrolled Board.

The ceremony began with PDEX president and CEO Antonino A. Nakpil delivering his welcome remarks. “For this first run of e-SIP, we are delighted to hear that the number of bondholders registered for the issue has reached 4,138, and that is a very respectable start. But this is only version 1.0 for this system, a platform that is configured for continual enhancement of features to further streamline and facilitate issuance and distribution activities of stakeholders.”, said Mr. Nakpil.

The Department of Finance Secretary, Hon. Carlos Dominguez III also graced the event and delivered a special message. “I commend the PDS for implementing this historic project. This digitalization initiative is an excellent response to my challenge to the PDS Group to foster greater financial inclusion and help deepen our capital markets by making its systems more efficient and accessible to both issuers and retail investors.”, mentioned Hon. Dominguez.

“By moving towards digitalization, we are taking away the pain point that discourages companies and retail investors from participating in capital markets. We are making processes more cost-efficient for everyone.”, added Hon. Dominguez.

Another special message was delivered by the Chairman of the Securities and Exchange Commission, Hon. Emilio B. Aquino. Chairman Aquino mentioned: “With this new system of the PDS, transactions and submissions will be made easier and health protocols can be strictly observed by the stakeholders which will help in the prevention of the Covid-19 transmission.”

“We would also like to congratulate Ayala Land Inc. for being the first issuer to execute their issuance of their PHP 10 Billion fixed-rate bonds through e-SIP. We are glad that after 5 tranches of manually submitting a pile of physical documents, you have now successfully listed your bonds and raised funds using the digitalized processes.”, added Hon. Chairman Aquino.

Meanwhile, ALI Chief Finance Officer, Chief Compliance Officer and Treasurer Augusto D. Bengzon stated that although we reverted to Modified Enhanced Community Quarantine, we are not back to square one when the pandemic began. He said: “Demand for the Bonds from both retail and institutional investors reached over P36 Billion, and this translated to an oversubscription of 3.6x, allowing us to price at the lowest end of the marketing range, carrying a coupon of 3.6262%. Clearly, the situation today is way different from last year, where we had

to make do with short-term 30-day rollovers, and I recall one of the first promissory notes we closed then carried a rate of 6.6%. Today, aside from the 4 and 5-year bonds that we have been able to secure, we are now in talks with our banks for a 10-year issue.”

“This clearly demonstrates that we are now transitioning from last year’s crisis to the next normal. Our debt capital market activities will further lower our overall borrowing cost to historic lows, and help expedite our recovery.”, added Mr. Bengzon.

This 7<sup>th</sup> listing for 2021 brings the year-to-date total of new listings to PHP 70.24 Billion, pushing the total level of tradable corporate debt instruments to PHP 1.44 Trillion issued by 54 companies, comprised of 204 securities.

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