

November 3, 2020

via electronic mail

SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex,
Roxas Boulevard, Pasay City, 1307

ATTENTION : **DIR. VICENTE GRACIANO P. FELIZMENIO JR.**
Markets and Securities Regulation Department

via PSE EDGE

PHILIPPINE STOCK EXCHANGE, INC.

PSE Tower, 28th Street, cor. 5th Avenue
Bonifacio Global City, Taguig City

ATTENTION : **MS. JANET A. ENCARNACION**
Head, Disclosure Department

via electronic mail

PHILIPPINE DEALING & EXCHANGE CORP.

Market Regulatory Services Group
29th Floor BDO Equitable Tower
8751 Paseo de Roxas, Makati City 1226

ATTENTION : **ATTY. MARIE ROSE M. MAGALLEN-LIRIO**
Head – Issuer Compliance and Disclosures Department

Gentlemen:

Attached is the SEC Form 17-C (Current Report) of Aboitiz Power Corporation filed in compliance with the Securities Regulation Code, its 2015 Implementing Rules and Regulations, the Revised Disclosure Rules of the Philippine Stock Exchange (PSE), and the Issuer Disclosure Operating Guidelines of the Philippine Dealing Exchange Corp. (PDEX).

Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

ABOITIZ POWER CORPORATION

By:


MAILENE M. DE LA TORRE
Assistant Corporate Secretary

COVER SHEET

C 1 9 9 8 0 0 1 3 4

S.E.C. Registration Number

A B O I T I Z P O W E R C O R P O R A T I O N

(Company's Full Name)

3 2 N D S T R E E T , B O N I F A C I O G L O B A L

C I T Y , T A G U I G C I T Y , M E T R O M A N I L A

P H I L I P P I N E S

(Business Address: No. Street City / Town / Province)

MANUEL ALBERTO R. COLAYCO

Contact Person

(02) 8 886-2338

Company Telephone Number

1 2 3 1

Month Day

Fiscal Year

1 7 - C

FORM TYPE

4th Monday of April

0 4 2 7

Month Day

Annual Meeting

N/A

Secondary License Type, if Applicable

SEC

Dept. Requiring this Doc

N/A

Amended Articles Number/Section

Total No. of Stockholders

x

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier


STAMPS

Remarks = Pls. use black ink for scanning purposes

SECURITIES & EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE (SRC)
AND SRC RULE 17.2(c) THEREUNDER

1. **November 3, 2020**
Date of Report (Date of earliest event reported)
2. SEC Identification Number **C199800134** 3. BIR TIN **200-652-460-000**
4. **ABOITIZ POWER CORPORATION**
Exact name of registrant as specified in its charter
5. **Philippines** 6. 
Province, country or other jurisdiction of incorporation Industry Classification Code
7. **32nd Street, Bonifacio Global City, Taguig City, Metro Manila, Philippines** **1634**
Address of principal office Postal Code
8. **(02) 8 886-2800**
Registrant's telephone number, including area code
9. **N.A.**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the RSA
- | Title of Each Class | Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding |
|---|--|
| Common Stock ₱1 Par Value | 7,358,604,307 |
| Amount of Debt Outstanding (As of June 30, 2020) | ₱239,875,868,000.00 |

11. Indicate the item numbers reported herein: 9

Item 9: Other Matters

Aboitiz Power Corporation (AboitizPower or the "Company") recorded consolidated net income of ₱3.3 billion (bn) for the third quarter of 2020, 32% lower than the ₱4.8 bn recorded in the same period in 2019. The Company recognized non-recurring net gains of ₱305 million (mn) during the period, compared to the ₱341 mn in non-recurring net losses recorded during the corresponding period last year. Without the one-off gains from the revaluation of dollar denominated liabilities, core net income for the third quarter of 2020 was ₱3.0 bn, 42% lower year-on-year (YoY). This was due to the decline in EBITDA stemming from decreased demand due to the enforcement of COVID-related community quarantines and from lower water inflow. The Company also incurred additional tax expenses following the expiration of the Income Tax Holiday (ITH) incentives of Therma South, Inc. (TSI) and GN Power Mariveles Energy Center Ltd. Co. (GMEC, formerly GNPower Mariveles Coal Plant Ltd. Co. or GMCP).

On a year-to-date (YTD) basis, AboitizPower's net income for the first three quarters of 2020 was ₱7.0 bn, 48% lower than the ₱13.5 bn recorded in the previous year. The Company recognized non-recurring net gains of ₱528 mn during the relevant period, compared to non-recurring net losses of ₱220 mn during the corresponding period last year, due to net foreign exchange gains on the revaluation of dollar denominated liabilities. Without the one-off gains, the Company's core net income for the first nine months of 2020 was ₱6.5 bn, 53% lower than the ₱13.7 bn recorded during the same period last year. This was also due to a decline in EBITDA due to lower demand resulting from the enforcement of COVID-related community quarantines, as well as lower water inflow. The Company also recorded additional tax expenses following the expiration of the ITH incentives of TSI and GMCP, and additional interest expenses from the Company's bonds and loans that were availed of during the fourth quarter of 2019.

"The pandemic has significantly impacted our financial performance, but we have sustained the delivery of the much-needed energy products and services to our customers and our communities. We continue to carry out our initiatives to ensure the availability, reliability, and efficiency of our power plants and distribution units. Despite the challenges and uncertainties, our growth strategy for the next 10 years remains the same — to significantly grow our renewables portfolio and shift our overall energy mix into an almost 50:50 Cleanenergy and thermal capacities by 2030," AboitizPower President and Chief Executive Officer Emmanuel V. Rubio said.

Results of Operations

Generation and Retail Electricity Supply

AboitizPower's generation and retail supply business recorded EBITDA of ₱24.9 bn during the first nine months of 2020, 13% lower than the ₱28.7 bn recorded during the corresponding period last year. The variance was primarily due to reduced demand resulting from the enforcement of COVID-related community quarantines and to lower water inflow.

Capacity sold for the first three quarters of 2020 increased by 9% to 3,394 megawatts (MW) from 3,123 MW in the same period last year. This was due to increased contracting levels driven by the new capacity of Therma Visayas, Inc. and additional portfolio contracts. Despite the increase in contracting levels, the lower demand brought about by the pandemic and the prolonged outage of TSI resulted in a decline in energy sold during the first nine months of 2020 declined by 8% to 16,689 gigawatt-hours (GWh) from 18,083 GWh.

Distribution

For the first nine months of 2020, AboitizPower's distribution business recorded EBITDA of ₱5.8 bn, 3% lower than the ₱6.0 bn recorded during the same period last year. Energy sales decreased by 8% to 3,994 GWh during the first three quarters of 2020 from 4,341 GWh in the corresponding period in 2019. This was driven by lower energy consumption from the Commercial and Industrial customer segments resulting from the enforcement of the COVID-related community quarantines.

Financial Condition

As of September 30, 2020, AboitizPower's total consolidated assets stood at ₱404.1 bn, 2% lower than the year-end 2019 amount of ₱410.5 bn. Total cash and cash equivalents was ₱38.0 bn, while total consolidated interest bearing liabilities was ₱232.7 bn. Equity attributable to holders of the parent was ₱121.2 bn. As of September 30, 2020, the Company's current ratio was at 1.3x, versus year-end 2019's 1.5x, while its net-debt-to-equity ratio was at 1.45x, versus year-end 2019's 1.42x.

SIGNATURE (S)

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ABOITIZ POWER CORPORATION

By:



MAILENE M. DE LA TORRE

Assistant Corporate Secretary

Dated: November 3, 2020