



SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

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

1. **05 April 2024**  
Date of Report (Date of earliest event reported)
2. SEC Identification Number **175222**
3. BIR Tax Identification No. **242-603-734-000**
4. **Vivant Corporation**  
Exact name of issuer as specified in its charter
5. **Mandaluyong City**  
Province, country or other jurisdiction of incorporation
6.  (SEC Use Only)  
Industry Classification Code:
7. **9th Floor, Oakridge IT Center 3, Oakridge Business Park,  
A.S. Fortuna Street, Brgy. Banilad, Mandaue City, Cebu** **6000**  
Address of principal office Postal Code
8. **(032) 234-2256, (032) 234-2285**  
Issuer's telephone number, including area code
9. **There has been no change in name or address since last report**  
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>
<b>Common</b>	<b>1,023,456,698</b>

11. Indicate the item numbers reported herein: **Item 9.**

**Item 9. Other Items.**

**Vivant Corporation's 2023 Earnings Results**

Despite the challenging macro-economic and financial environment that prevailed during the year, publicly listed company Vivant Corporation (Vivant or the Company) posted a 43% year-on-year (YoY) expansion in its bottomline in 2023 with net income amounting to Php 2.3 billion (bn).

The year 2023 felt the pressures from inflation and high interest rates, mostly a result of ongoing geopolitical tensions, trade-restrictive measures and weather-induced commodity price hikes. With government's policy response and implementation of key structural reforms, the local economy managed to navigate the difficult economic and financial environment and posted a decent GDP annual growth of 5.6%.

The Company recognized Php 366.4 million (mn) in non-core income, which mainly stemmed from one-time management and technical contracts, realized gain from the share acquisition made by a subsidiary and the fair value recognition of some of its investments. Netting out the one-off items, Vivant's core net income for the year closed at Php 1.9 bn, 24% higher than previous year's Php 1.5 bn.

## Energy

The Energy strategic business unit (SBU) continued to drive the financial performance of the Company in 2023 with a total income contribution of Php 3.1 bn, up by 36% YoY. All business segments shored up the unit's performance, which rode on the spurred economic activities in both the main and island grids. Electricity consumption, being a key indicator of economic performance, recorded healthy growth rates in 2023. Peak demand in major grids grew with Luzon, Visayas and Mindanao recording YoY expansion of 3.6%, 6.2% and 7.2%, respectively. Same is true for island economies with business activities further energized by the continued recovery in tourism.

### **Generation**

The power generation business ended 2023 with a total income contribution of Php 1.9 bn versus previous year's Php 1.5 bn. Both On Grid and Off Grid segments contributed to the strong showing of the business with recorded earnings growth of 26% and 105%, respectively.

The Energy SBU accomplished remarkable strides in 2023 as it took a transformative leap forward in one particular area of its operations and the communities it serves. The unit expanded its Off Grid portfolio by consolidating its ownership in the facilities located in Puerto Princesa (DPI), Coron-Busuanga (CIPC) and Bantayan (INPC). The acquisition resulted in an expanded investment in the Small Power Utilities Group from 35 MW to 63 MW, nearly doubling Vivant Energy's attributable installed capacity. As of year-end, Vivant's total attributable generation capacity was at 447 MW.

The year also saw marked progress in Vivant's **'30 by 30'** renewable energy target. The acquisition of a solar facility in Bulacan and the signing of a JV agreement for the development of a wind farm in Samar bring the Company closer to this goal. Completion of these projects is expected to increase the Energy SBU's attributable capacity by 22 MW in 2024 and 62 MW in 2025.

### **Distribution**

The unit's electricity distribution business showed strong recovery in 2023 with an income contribution of Php 1.0 bn, posting a 33% YoY increase. This was on the back of a 12% surge in electricity sales for the year, with both residential and non-residential segments posting healthy growth in consumption.

In 2022, the utility experienced a disruption in its operations during the first two months as it completed its restoration works addressing the damage caused by Typhoon Odette. In 2023, VECO's franchise area has shown full recovery with robust growth in peak demand of 4.5%, from 589 MW in 2022 to 615 MW in 2023, coupled with notable increase in new connections for all segments.

### **Retail**

The retail group ended the year 2023 with a bottomline share of Php 72.4 mn, up by 37% YoY. The retail electricity and solar rooftop businesses contributed to the earnings expansion with robust growth in energy delivered and increased customer base.

## Water

Meanwhile, the Water SBU saw a reversal in its financial performance in 2023. The unit recorded a negative income contribution of Php 15.6 mn against previous year's profit share of Php 6.3 mn. The improved performance of the waste water business was offset by the two other segments, which are water solutions and water supply, due to higher incurred costs and operating expenses during the year.

The Water SBU continued with the development and construction of its 20 million liter per day (MLD) desalination plant in Cordova, Cebu, the first utility scale seawater desalination facility in the country. As of end-2023, the plant is 61% completed and is expected to be commercially operational by end of the third quarter of 2024. This project is Vivant's attempt at providing a sustainable solution to Cebu's water crisis as it is expected to produce potable water that will satisfy the daily consumption of roughly 20,000 households.

## Financial Condition

As of December 31, 2023, the Company's consolidated assets amounted to Php 29.9 bn, a 13% YoY increase. The expansion was mainly attributable to the acquisition and project development initiatives of the Energy and Water SBUs.

Effects of the business combination and prepayments to supplier mainly accounted for the increase in total current assets by 2%, from Php 7.2 bn to Php 7.3 bn. Cash balances and Advances to associates were reduced by 10% and 45% YoY, respectively. Investing activities were mostly the driver for the cash utilization in 2023, while collection of advances from affiliates and the impact of business combination resulted to lower collectible accounts from associates.

Total non-current assets grew by 17% YoY to Php 22.6 bn. This was primarily driven by the increase in fixed assets to Php 8.3 bn, a 41% expansion from previous year. The expansion initiatives of both the Energy and Water SBUs accounted for this growth.

Vivant's total consolidated liabilities as of end-2023 amounted to Php 10.2 bn, posting a 20% YoY increase. Current liabilities were up by 6%, while non-current obligations grew by 32% YoY. The Energy SBU tapped the debt capital market in 2023 to partly finance its investments and project development initiatives. The consolidation of a new subsidiary likewise contributed to the increase in consolidated long-term loans of the Company.

Total equity attributable to equity holders of the parent rose to Php 18.3 bn from Php 16.5 bn as a result of the income generated in 2023.

Vivant's current ratio as of year-end stood at 1.80x (versus 1.87x in 2022) while debt-to-equity ratio was slightly higher at 0.52x (from 0.48x in 2022).

**SIGNATURE**

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

**VIVANT CORPORATION**  
Issuer



**ATTY. CATHERINE S. BRINGAS**  
Corporate Secretary

Date: **April 5, 2024**