

## Philippine Stock Exchange index (PSEi)

7,288.07 ▼ 53.94 PTS. ▼ 0.73%

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BusinessWorld

## PSEi MEMBER STOCKS

|                                                                         |                                                                        |                                                                                           |                                                                      |                                                                   |                                                             |                                                                        |                                                                         |                                                                         |                                                               |
|-------------------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------------------------------------|
| <b>AC</b><br>Ayala Corp.<br>P838.00<br>-P10.00 -1.18%                   | <b>ACEN</b><br>AC Energy Corp.<br>P8.06<br>-P0.07 -0.86%               | <b>AEV</b><br>Aboitiz Equity Ventures, Inc.<br>P61.80<br>+P0.30 +0.49%                    | <b>AGI</b><br>Alliance Global Group, Inc.<br>P12.80<br>-P0.14 -1.08% | <b>ALI</b><br>Ayala Land, Inc.<br>P37.80<br>-P0.40 -1.05%         | <b>AP</b><br>Aboitiz Power Corp.<br>P34.10<br>-P0.15 -0.44% | <b>BDO</b><br>BDO Unibank, Inc.<br>P130.00<br>---                      | <b>BPI</b><br>Bank of the Philippine Islands<br>P98.50<br>+P0.05 +0.05% | <b>CNVRG</b><br>Converge ICT Solutions, Inc.<br>P25.50<br>-P0.55 -2.11% | <b>EMP</b><br>Emperador, Inc.<br>P17.70<br>-P0.60 -3.28%      |
| <b>GLO</b><br>Globe Telecom, Inc.<br>P2,540.00<br>-P30.00 -1.17%        | <b>GTCAP</b><br>GT Capital Holdings, Inc.<br>P557.50<br>-P25.00 -4.29% | <b>ICT</b><br>International Container Terminal Services, Inc.<br>P229.00<br>+P2.80 +1.24% | <b>JFC</b><br>Jollibee Foods Corp.<br>P238.00<br>-P3.00 -1.24%       | <b>JGS</b><br>JG Summit Holdings, Inc.<br>P60.00<br>-P1.00 -1.64% | <b>LTG</b><br>LT Group, Inc.<br>P9.50<br>-P0.14 -1.45%      | <b>MBT</b><br>Metropolitan Bank & Trust Co.<br>P55.30<br>-P2.85 -4.90% | <b>MEG</b><br>Megaworld Corp.<br>P3.12<br>-P0.04 -1.27%                 | <b>MER</b><br>Manila Electric Co.<br>P355.00<br>-P9.60 -2.63%           | <b>MONDE</b><br>Monde Nissin Corp.<br>P14.48<br>-P0.28 -1.90% |
| <b>MPI</b><br>Metro Pacific Investments Corp.<br>P3.75<br>-P0.05 -1.32% | <b>PGOLD</b><br>Puregold Price Club, Inc.<br>P34.90<br>-P0.10 -0.29%   | <b>RLC</b><br>Robinsons Land Corp.<br>P19.90<br>---                                       | <b>SECB</b><br>Security Bank Corp.<br>P110.90<br>-P2.10 -1.86%       | <b>SM</b><br>SM Investments Corp.<br>P929.00<br>-P3.00 -0.32%     | <b>SMC</b><br>San Miguel Corp.<br>P106.80<br>-P0.70 -0.65%  | <b>SMPH</b><br>SM Prime Holdings, Inc.<br>P39.50<br>+P0.30 +0.77%      | <b>TEL</b><br>PLDT, Inc.<br>P1,849.00<br>-P1.00 -0.05%                  | <b>URC</b><br>Universal Robina Corp.<br>P114.60<br>-P5.10 -4.26%        | <b>WLCON</b><br>Wilcon Depot, Inc.<br>P28.70<br>+P1.00 +3.61% |

## Philex profit reaches P2.4B as metal prices surge

PHILEX Mining Corp. earned P2.43 billion last year, or nearly double the earlier year's P1.23 billion net income attributable to parent firm equity holders, largely due to higher metal prices.

"No doubt, 2021 was a blessing for us considering the high metal prices for copper and gold that even with the marginal grades of ore that we are mining, we continue working on our business continuity plans," Philex President and Chief Executive Officer Eulalio B. Austin, Jr. said in a press release on Monday.

He added that the company was able to "successfully deal" with the deadly coronavirus of "strict and constant adherence" to health protocols and its mass vaccination program.

"Consequently, we have had no disruption in our operation for the year," Mr. Austin said.

The listed gold and copper producer reported that its full-year core net income rose 118.1% to

P2.53 billion from P1.16 billion in 2020. Of last year's income, P668 million was booked in the fourth quarter.

"Favorable and sustained higher levels of realized prices for gold and copper resulted in higher operating revenues in 2021, registering a healthy 25% increase over the year 2020," Philex said in the press release.

Operating revenues rose 25.2% to P9.8 billion in 2021 from P7.83 billion in 2020, while operating costs rose by 4.8% to P6.6 billion from P6.3 billion in 2020.

The higher costs came after an increase in the cost of materials and supplies, logistics expenses, higher royalties, and higher excise taxes, though this was partly offset by lower power costs and noncash charges, as a result of the extension of the mine's life.

In the fourth quarter of 2021, realized gold prices were at its highest, reaching \$1,783 per

ounce and copper at \$4.44 per pound in October 2021, the listed mining firm said.

As for production, tonnage milled in the fourth quarter slowed down to 1.97 million tons from 2.006 million tons in the third quarter. In 2021, tonnage milled hit 7.946 million tons or 1.4% up from 2020.

"Ore grades continue to hold at the same level as in 2020, leading to minimal impact on gold and copper output in 2021 compared with 2020," Philex said.

Philex said that due to healthy earnings before interest, taxes, depreciation, and amortization (EBITDA) at P4.3 billion, it was able to continue its debt reduction program.

"The board declared a cash dividend of P0.05 centavos per common share, aggregating to P247 million, to shareholders on record as of March 21, which will be paid on April 3, as Philex preserves cash surplus as part of

the initial capital for the development of Silangan," the company said.

For 2022, Philex said the sustained prices of gold and copper in the global market will allow it to optimize mineable reserves and metal output.

"The year 2021 also brought hope to the mining industry with significant regulatory changes on the horizon, such as the suspension of the ban on new mining agreements and lifting of the ban on open pit mining method," Mr. Austin said.

"Profitability and liquidity since 2020 have been on a positive trend and has materially enhanced the company's profitability and financial condition, allowing the company to expedite the launching of the development of the Silangan project under its in-phase mine plan," Philex added.

The Silangan copper-gold project in Surigao del Norte is

expected to start commercial operations by 2025.

The project needs an initial capital of \$224 million or about P11.2 billion, to be funded by a combination of proceeds from a stock rights offering, the cash reserves of Philex, and possibly some incremental debt at the Silangan level.

Philex has appointed BDO Capital and Investment Corp. as its issue manager and lead underwriter for the fund raising.

Philex also said that studies are underway to explore and determine the feasibility of the mineable resources and reserves surrounding the Padcal mine in Benguet.

"We will continue our relentless drive to improve our operations, and are now looking at new investment opportunities, whilst prolonging the life of our Padcal mine. The job security and welfare of our employees and their dependents are still our primor-

dial concern," said Philex Chairman Manuel V. Pangilinan.

"Silangan will be an exciting project for us in 2022. It could ensure that our business continues for a long time to come. We look forward to this year with a fair degree of optimism, given the buoyant prices of commodities in general, and of metal prices in particular, driven by global geopolitical and supply factors," he added.

Philex shares went up 4.73% or 30 centavos to finish at P6.64 each at the stock exchange on Monday.

Philex is one of three Philippine units of Hong Kong-based First Pacific Co. Ltd., the others being Metro Pacific Investments Corp. and PLDT, Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Luisa Maria Jacinta C. Jocsion**

## AEV net income jumps, cites digital move and agility

ABOITIZ Equity Ventures, Inc. (AEV) on Monday reported a 3% rise in core net income to P7.3 billion in the fourth quarter of 2021, bringing its full-year core profit to P26.8 billion, up 68%.

"Our investments in digital transformation and innovation, matched by a strong culture of agility and resilience have paid off handsomely as we powered through the pandemic with strong performance indicators," AEV President and Chief Executive Officer Sabin M. Aboitiz said in a disclosure to the stock exchange.

Including one-off gains, the company's fourth-quarter consolidated net income increased by 9% to P7.8 billion as it recognized nonrecurring gains of P444 mil-

lion due to foreign exchange gains from the revaluation of dollar-denominated assets.

For full-year 2021, consolidated income rose 77% to P27.3 billion, with the recognition of P527 million in nonrecurring gains after the asset revaluation, compared with P477 million a year earlier.

The company's recorded EBITDA (earnings before interest, tax, depreciation and amortization) totaled to P17.6 billion for the year, or 7% lower.

Mr. Aboitiz said at the end of last year, the group's performance trajectory substantially improved, "posting steadily rising figures."

AEV's power segment, Aboitiz Power Corp., accounted for 57% of the holding firm's strategic business

units' total income last year. The unit contributed a P16-billion income share to the parent company, 66% more than its share in 2020.

Meanwhile, AboitizPower recorded a net income of P20.8 billion last year, 66% higher than the P12.6 billion in 2020 on the back of its commissioning revenue from GNPower Dinginin Ltd. Co. (GNPD) Unit 1, higher water inflow for its hydro plants, higher availability of the Therma Luzon, Inc., Therma South, Inc. and Therma Visayas, Inc. facilities, and higher dispatch at the wholesale electricity spot market in compliance with the must-offer rule.

The company said it recognized P228 million in nonrecurring losses for the full year. With-

out these one-off items, its core net income for 2021 would be up by 68% to P21.1 billion from the P12.5 billion recorded in 2020.

"AboitizPower was also able to claim liquidated damages for the delay in the construction of GNPD Units 1 and 2, and also received the final payment for business interruption claims resulting from GNPower Mariveles Energy Center Ltd. Co. and AP Renewables Inc. outages in previous years," it said in a separate disclosure to the exchange. — **Marielle C. Lucenio**



## Shakey's acquires Potato Corner assets and entity in Singapore

RESTAURANT operator Shakey's Pizza Asia Ventures, Inc. and its subsidiary Wow Brand Holdings, Inc. announced the acquisition of the assets and intellectual property of Potato Corner, including shares in an entity in Singapore.

"This is an accretive acquisition. Nonetheless, [we] will pursue maximizing synergies and wielding its expertise in business development, franchise management, and supply chain operations to further grow the brand

sustainably," Shakey's Pizza said in a disclosure on Monday.

The company said it acquired 100% ownership of PC International Pte. Ltd., a Singaporean corporation that owns and operates Potato Corner in Singapore.

The acquisition will also involve owning and operating all company-owned stores, as well as serving as brand-owner and franchisor of stores being operated by franchisees.

"Since its inception in 1992, the brand has built a vast network of over 1,000 outlets domestically and has a growing international footprint in Asia and beyond. Over the years, the business has built a strong brand equity and demonstrated robust performance, attractive margins, and the capability to scale – all aligned with [our] criteria for acquisitions," the company said.

At the stock exchange on Monday, Shakey's Pizza shares dropped by P0.05 or 0.60% to P8.35 apiece. — **Luisa Maria Jacinta C. Jocsion**

## Bloomberry Resorts trims net loss to P4.2 billion

SOLAIRE Resort & Casino operator Bloomberry Resorts Corp. announced on Monday that it trimmed its net loss for 2021 to P4.2 billion from a loss of P8.3 billion in 2020.

Bloomberry's consolidated net revenue in 2021 was P22 billion, representing an increase of 24% from P17.8 billion a year earlier, the company said in a disclosure to the stock exchange.

The company saw its total gross gaming revenue at Solaire increase 22% to P27.6 billion from P22.6 billion in 2020.

Meanwhile, its VIP gross gaming revenue at Solaire declined 16% year on year to P6.7 billion.

"Mass tables and electronic gaming machine gross gaming revenues were P11.3 billion and P9.5 billion, represent-

ing year-on-year increase of 54% and 32%, respectively," the company noted.

Bloomberry's EBITDA, or earnings before interest, taxes, depreciation, and amortization, was P5.2 billion last year, higher by 265% from P1.4 billion in 2020.

As for the fourth quarter of 2021, the company's net revenue reached P6.6 billion, representing an increase of 58% year on year.

Its total gross gaming revenue at Solaire reached P8 billion, up 50% from P5.3 billion in the same period of 2020.

"Mass tables and electronic gaming machine gross gaming revenues, increased by 19% and 30% on a sequential basis, respectively and were higher by 63% and 42% year on year, respectively," the company said.

Its EBITDA for the fourth quarter was P1.9 billion, compared with the P129 million in the same period in 2020.

"The year 2021 demonstrated the resilience of our business amidst a pandemic characterized by a slowly recovering economy and the absence of tourism," said Enrique K. Razon Jr., Bloomberry chairman and chief executive officer.

"It was a better year for Bloomberry as it was propped up by the domestic patronage which grew our mass gaming revenues by 43% and EBITDA by 265%. While we look forward to better days ahead, we remain equipped to operate under challenging circumstances as they materialize," he added.

Among the highlights of 2021, according to the company, was its partnership with the International Container Terminal Services, Inc. and the Philippine government for the procurement of 20 million doses of Moderna vaccines – 13 million doses for the Philippine government and seven million doses for the private sector.

"Another 4.5 million doses of Oxford-AstraZeneca vaccines were donated to the various local government municipalities," it added.

Bloomberry and ICTSI financed, constructed, and currently operate the Solaire-ICTSI Foundation Vaccination Center in Parañaque City.

Bloomberry Resorts shares closed 4.67% lower at P7.15 apiece on Monday. — **Arjay L. Balinbin**

## URC doubles net profit to P24B after sale deal

UNIVERSAL Robina Corp. (URC) reported its net income was up 109% to P24.3 billion in 2021 as the consumer food manufacturer gained from the sale of its business in Australia and New Zealand.

"The sale provided an opportunity for URC to monetize the efficiencies and synergies it created in Australia and New Zealand, while reinvesting into higher-growth core markets such as the recently acquired Munchy's business in Malaysia," the company said in a stock exchange disclosure on Monday.

Excluding sales in Oceania, the company reported growth of 3% to P117 billion for the full year, despite supply chain disruptions and mobility restrictions from the coronavirus disease 2019 (COVID-19) pandemic.

In the second half of the year, URC said it accelerated with fourth quarter sales up 12% from the previous quarter and up 11% from the same period a year earlier.

However, operating income and core net income from continuing operations both declined 8%, due to higher material input costs.

"The impact on operating margins was tempered by price increases and various cost savings initiatives," URC added.

Sales of the branded consumer foods group, excluding Oceania sales, ended flat at P83.5 billion. On the other hand, domestic revenues were down 2% to P61.4 billion.

"Key food and beverage markets, while slowly recovering, were still below pre-pandemic levels and aggravated by various lockdowns imposed across the region. Positive signs of recovery were seen in the second half of 2021, with sequential quarter on quarter growth, and culminating with a growth of 6% in the fourth quarter from the same period last year," the company said.

URC's international division grew 5% to P22.2 billion on a constant currency basis, as momentum in the first half was hampered by the resurgence of COVID-19 in the region.

"Operations were also affected with government restrictions and work

force capacity limitations. However, the international division was able to end strong, with fourth quarter sales up 15% quarter-on-quarter and up 2% from the same period last year," URC said.

Meanwhile, its agro-industrial and commodities division reported 13% growth to P33.4 billion from the same period last year, driven by acquisitions in its sugar and renewables group.

"The acquisition of Central Azucarera de La Carlota sugar mill and Roxol Bionergy in the fourth quarter of 2020 helped grow URC's sugar business by double digits. Strong growth in Pet Foods also helped offset declines in farms and feeds volumes caused by lower hog populations in the Philippines," URC said.

URC's board of directors also approved an increase in dividend to P3.45 per share, up 5% and 10% from the dividends declared in 2021 and 2020, respectively.

"Coming through two years of the COVID-19 pandemic, URC remained strong – maintaining our leading positions in key markets and categories, continuing our innovation pipeline, becoming preferred partner of choice to customers and suppliers, step changing product supply chain transformation, and accelerating a people and planet friendly culture," URC President and Chief Executive Officer Irwin C. Lee said in a statement.

"While the challenges and uncertainties of hyper cost inflation, global climate and political turbulence persist, our growth momentum and organizational commitment to excellence give us cause for optimism in 2022," he added.

Mr. Lee said the company would continue to invest in its brands, build channel strength, and make future bets in "attractive white spaces."

"URC remains strong today, and will be stronger tomorrow," he added.

At the stock exchange on Monday, URC shares dropped 4.26% or P5.10 to close at P114.60 apiece. — **Luisa Maria Jacinta C. Jocsion**