

Philippine Stock Exchange index (PSEi)

6,721.08 ▼ 10.17 PTS. ▼ 0.15%

MONDAY, MAY 2, 2022
BusinessWorld

PSEi MEMBER STOCKS

AC Ayala Corp. P738.00 +P0.50 +0.07%	ACEN AC Energy Corp. P7.40 +P0.18 +2.49%	AEV Aboltiz Equity Ventures, Inc. P50.70 +P0.10 +0.20%	AGI Alliance Global Group, Inc. P11.42 -P0.40 -3.38%	ALI Ayala Land, Inc. P32.10 +P0.05 +0.16%	AP Aboltiz Power Corp. P31.15 -P1.00 -3.11%	BDO BDO Unibank, Inc. P128.00 -P2.00 -1.54%	BPI Bank of the Philippine Islands P93.90 -P1.00 -1.05%	CNVRG Converge ICT Solutions, Inc. P27.30 -P1.50 -5.21%	EMP Emperador, Inc. P19.82 +P0.32 +1.64%
GLO Globe Telecom, Inc. P2,274.00 +P4.00 +0.18%	GTCAP GT Capital Holdings, Inc. P520.00 +P16.00 +3.17%	ICT International Container Terminal Services, Inc. P215.60 ---	JFC Jollibee Foods Corp. P220.00 +P5.00 +2.33%	JGS JG Summit Holdings, Inc. P55.70 ---	LTG LT Group, Inc. P8.69 +P0.17 +2.00%	MBT Metropolitan Bank & Trust Co. P50.05 -P1.05 -2.05%	MEG Megaworld Corp. P2.79 -P0.07 -2.45%	MER Manila Electric Co. P350.00 -P2.40 -0.68%	MONDE Monde Nissin Corp. P13.40 +P0.42 +3.24%
MPI Metro Pacific Investments Corp. P3.82 +P0.02 +0.53%	PGOLD Puregold Price Club, Inc. P33.00 ---	RLC Robinsons Land Corp. P19.10 -P0.02 -0.10%	SECB Security Bank Corp. P104.50 +P1.50 +1.46%	SM SM Investments Corp. P849.00 -P2.50 -0.29%	SMC San Miguel Corp. P106.50 +P0.20 +0.19%	SMPH SM Prime Holdings, Inc. P35.00 ---	TEL PLDT, Inc. P1,865.00 -P1.00 -0.05%	URC Universal Robina Corp. P104.80 +P2.30 +2.24%	WLCON Wilcon Depot, Inc. P27.10 -P0.90 -3.21%

Megaworld's Bacolod township capex to rise to P45B

MEGAWORLD Corp. said it plans to increase the capital expenditure (capex) budget for its Bacolod townships to P45 billion, particularly for its The Upper East development.

"We are adding P10 billion more to our investment for The Upper East as we see great potential and opportunities for this new township, which is now fast rising to be Bacolod's first modern central business district," Megaworld Visayas

Vice-President for Sales and Marketing Jennifer Palmares-Fong said in a statement on Monday.

In 2015, Megaworld announced that it was spending P35 billion to develop two townships in Negros Occidental, which includes the 50-hectare North Hill Gateway and the 34-hectare The Upper East developments.

For its The Upper East project, the company said it had completed the construction of the 12-storey

One Regis, its first residential condominium project, which is due for turnover within the year. The second tower, the 14-storey Two Regis, is set to be completed next year.

Two more condominium towers are in the construction pipeline, One Manhattan and Herald Parksuities.

Meanwhile, the property developer announced that it formally opened the Upper East Avenue, its eight-lane main avenue inside The Upper East.

The Upper East Avenue is composed of six road lanes and two "on-street" parking lanes. It is open for both private and public vehicles, subject to the traffic rules and regulations of its own estate management group, which will deploy traffic marshals around the area.

Secondary roads within The Upper East are now being completed, as well as an extensive network of bike lanes inside the

township to help promote efficient and convenient mobility.

"Our first BPO (business process outsourcing) office tower development, No. 1 Upper East Avenue, has also started its construction. Soon, we will also begin the construction of our commercial developments in this township. Indeed, exciting times are ahead in The Upper East," Ms. Palmares-Fong said.

The Upper East will soon have its own Megaworld Lifestyle Mall,

commercial parks, hotel, church, and other institutional and recreational facilities, the company said.

In 2021, Megaworld reported a 36% rise in net income attributable to equity holders to P13.4 billion due to strong real estate sales, office rentals, and hotel revenues.

At the stock exchange, Megaworld shares dropped by 2.45% or seven centavos to finish at P2.79 each on Monday. — **Luisa Maria Jacinta C. Jocson**

SEC flags WOW Company for Ponzi-like investment scheme

THE SECURITIES and Exchange Commission (SEC) issued an order of revocation to Wealth on Web Company, or WOW Company, for its Ponzi-like investment scheme and for operating without a license or registration.

In an advisory dated April 29, the SEC said that WOW Company was registered in its database as a partnership. As such, it was not authorized to solicit investments from the public as it did not secure prior registration and license to do so.

"Neither is WOW Company licensed as a capital market professional such as, among others, a securities broker," it added.

WOW Company allows certain persons acting as its agents or representatives to make public presentations of

its investment scheme and to invite the public to invest through social media.

The SEC said these acts make the group "liable for the unauthorized public offering of securities and the misrepresentation committed in connection with such public offering."

It said the investment scheme has the characteristics of a Ponzi scheme, or an investment program that offers impossibly high returns and pays these returns to early investors out of the capital contributed by later investors.

Based on records from the commission, the company's business purpose is to engage in direct selling of goods and merchandises to consumers, to engage in business of retail trading, such as but

not limited to: apparels, e-loads, e-pins, e-coins, beverages, health and wellness, cosmetics and digital products.

"The department received various e-mails inquiring or reporting about [WOW Company] and its alleged investment-taking activities promising a guaranteed return on investment," the commission said.

According to the SEC's investigation, the unauthorized firm entices the public to an investment package where one may put in a minimum amount of P150 to as high as P135,000, while promising a return of as much as 3% to 6% daily depending on the chosen plan.

"The foregoing investment scheme of WOW Company has the charac-

teristics of an 'investment contract,' a form of securities which must first be registered with the commission... before they may be offered and sold or distributed to the public," the regulator said.

In April, the SEC had issued a show-cause order against the firm. However, its investigation showed that despite receiving the order, the group continued offering its services.

The advisory stated that the commission will be revoking the registration of the company as a partnership, and that its partners are directed to pay a fine of P1 million within a period of 15 days from receipt of the order. — **Luisa Maria Jacinta C. Jocson**

Former NLEX Corp. chief takes the helm of MPT South

METRO Pacific Tollways Corp.'s (MPTC) unit MPT South Corp. announced on Monday the appointment of Raul L. Ignacio, the former chief operating officer of NLEX Corp., as its new president and general manager.

He replaces Robert V. Bontia, who "has been designated as chief transformation officer to head on a full-time capacity the Business Transformation Office of Metro Pacific Tollways Corp.," the company said in an e-mailed statement.

MPT South also said Mr. Ignacio "has extensive years of experience and expertise in our organization with a tenure that started with NLEX Corp. and has led our company's initial venture into the mobility space by heading MPT Mobility since 2020."

On Mr. Bontia, the company said: "As one of the most senior executives of the organization, [he] will ensure the effective implementation of vital groupwide transformation projects."

MPT South's existing projects include the 7.7-kilometer C5 Southlink and the 45.4-kilometer Cavite-Laguna Expressway.

The company is hoping to open the road section connecting Aguineldo Highway to Silang East interchange of the P35-billion CALAX project by the third quarter of the year.

MPTC's capex for the year is estimated to be P32 billion.

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

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Arjay L. Balinbin**

Mine upgrade corners bulk of SMPC's budget for 2022

SEMI-RARA Mining and Power Corp. (SMPC) has earmarked P4.6 billion to refleet its mine equipment, cornering more than half of its capital expenditure budget this year, its top official said on Monday.

"For 2022, we intend to spend P8.8 billion for mine equipment refleet, power plant maintenance, and power plant construction," Maria Cristina C. Gotianun, SMPC president and chief operating officer, said told stockholders during the company's annual meeting on Monday.

Up to P2.4 billion of the spending budget will go to the construction of a power plant, while the rest at P1.8 billion will be used for the maintenance of power plants.

"As a background, we are constructing a 13-megawatt (MW) power plant in Semirara Island to replace a 38-year-old facility and provide additional steady supply for our mining operations," she added during the virtual event.

SMPC prides itself to be the only power producer in the country that owns and mines its fuel source. It is the largest local coal producer with a share of 99% of the country's coal output.

Ms. Gotianun said the company expects stable output for its coal business segment this year as it was able to control the water level at its coal mine.

"Our goal is to produce up to 15 million metric tons. This should allow us to sell around 15 million metric tons of coal," she said.

"As for the power segment, we see continued headwinds and tailwinds because of unit 2 election-related activities, higher fuel prices, and full reopening of the economy," she added.

SMPC subsidiary Sem-Calaca Power Corp. previously reported a breakdown of a plant generator component in its unit 2 in December 2020 after only seven months of use. It resumed operations in September 2021 but at a derated capacity of 225 MW.

But in November, unit 2 went on an unplanned shutdown because of plant component's failure. The downtime is being used to raise its capacity back to 300 MW.

SMPC expects the unit's operations to resume in the third quarter of this year after faulty machinery, supplier induced delays, and an ongoing technical investigation.

"We are managing this situation very closely to improve overall availability and profitability," Ms. Gotianun said.

She described SMPC's financial results last year to be "historic" although she is bracing "for another year of extreme volatility." She last year, the company faced several "headwinds and tailwinds."

Ms. Gotianun enumerated these to include the "raging" pandemic, excessive water seepage at its coal mine, plant outages, China's coal price cap, and a defective power plant equipment.

"On the flip-side, China demand and import quota increased on accelerating industrial activities, mine shutdowns and continuing ban on Australian coal," she said.

Last year also marked the return of domestic electricity consumption to pre-pandemic levels, while supply constraints, prolonged plant outages and oil price hikes drove up prices.

"These developments triggered dramatic price shifts for our coal and power segments," she said.

Isidro A. Consunji, SMPC chairman and chief executive officer, said in his report said the company last year "surged beyond and seized the growth opportunities given by the global economic reopening."

SMPC's consolidated net income in 2021 grew nearly five times to P16.2 billion as its gross revenue rose 85.6% to P52.42 billion.

Ms. Gotianun said improved market conditions "magnified the operating gains in our mine site and softened the impact of our power generation decline."

"Our all-time-high top line and bottom line were mostly driven by the coal segment, which made a strong comeback in 2021," she added.

Ms. Gotianun said SMPC has enough reserves until 2027, or the end of its coal operating contract. She placed the annual coal production until then to be at 13 million to 16 million metric tons.

In the face of China's coal consumption slowdown because of lockdowns, she said SMPC was able to supply Semirara coal to new local buyers in the power and cement sectors, while developing new exports markets, namely: South Korea, Cambodia and Brunei.

SMPC's coal resources come from Semirara Island in Caluya, Antique province.

At the stock exchange on Monday, SMPC shares were unchanged at P27.50 each. — **VVS**

AyalaLand Logistics profit up 19%

AYALALAND Logistics Holdings Corp. reported a 19% increase in net income to P197 million in the first quarter of 2022, a year when it aims to boost its business performance.

"Our growth plans are geared to enable AyalaLand Logistics to seize opportunities in the new economy. With the competitive advantage from our solid portfolio of diversified product offerings, and our optimistic view on the economy's reopening, we look forward to enhancing our business performance in 2022," said Marla Rowena M. Tomeldan, the company's outgoing president and chief executive, said in a disclosure on Monday.

The logistics firm, a subsidiary of Ayala Land, Inc., reported consolidated revenues of P864 million, without giving a comparative number. It previously reported quarterly gross revenues of P963.51 billion a year ago.

In the first quarter of this year, warehouse leasing revenues rose by 54% to P191 million from P123 million given improved occupancy and increased leased areas.

Meanwhile, industrial lot sales decreased by 18% to P316 million, due to unbooked reserved lots.

"Commercial leasing is gradually recovering with retail stores reopening and an increase in total customer foot traffic by 32% versus the same period last year," the company said.

In February, AyalaLand Logistics acquired an existing ready-built facility in St. Tomas, Batangas, adding 64,000 square meters (sq.m.) of leaseable warehouse space to its portfolio. The acquisition brought to 288,000 sq.m. its warehouse gross leaseable area (GLA) across six locations.

The company is targeting to reach 500,000 sq.m. of GLA by 2025 and expects to double its cold storage capacity to 15,000 pallet positions by 2023.

On April 2, stockholders approved the increase in the company's authorized capital stock of up to P10 billion, through the creation of P5 billion nonvoting preferred shares with a par value of P1 per share and the increase of P5 billion common shares with a par value of P1 per share. — **Luisa Maria Jacinta C. Jocson**

FULL STORY



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COL Financial earnings jump 38% as revenues climb

COL FINANCIAL Group, Inc. reported on Monday that its net income surged by 38% to P582 million in 2021, driven by a jump in commission revenues.

"While ranking #1 is not the benchmark that we measure our success on, we believe that this is the natural result of our strategy to focus on serving our customers," COL Financial President and Chief Executive Conrado F. Bate said in a statement.

"By giving our self-directed investors the tools and knowledge that they need to invest wisely, this group of investors continues to

become a bigger and more influential part of the country's investing landscape," he added.

Meanwhile, consolidated revenues rose to P1.3 billion, while its client assets hit P112 billion as the company saw P6.7 billion in net new flows.

The financial group reported that its client base also hit almost half a million investors by the end of 2021.

COL Financial said that it benefited from the increase

in market activity in the Philippine Stock Exchange (PSE), due to its strategy of focusing on its retail investor base.

"As a result, COL ranked as the #1 stockbroker in the Philippines for the second year in a row, with a record market share of 8.6%," the company said.

On the fund distribution side, the company said it started offering access to global funds through its platform. — **Luisa Maria Jacinta C. Jocson**

FULL STORY



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