

Philippine Stock Exchange index (PSEi)

6,727.60 ▲ 132.94 PTS. ▲ 2.01%

WEDNESDAY, MAY 18, 2022

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P678.00 +P3.00 +0.44%	ACEN AC Energy Corp. P7.04 +P0.34 +5.07%	AEV Aboitiz Equity Ventures, Inc. P48.10 +P0.10 +0.21%	AGI Alliance Global Group, Inc. P11.24 ---	ALI Ayala Land, Inc. P28.80 -P0.65 -2.21%	AP Aboitiz Power Corp. P29.50 ---	BDO BDO Unibank, Inc. P127.00 +P0.50 +0.40%	BPI Bank of the Philippine Islands P97.00 +P4.20 +4.53%	CNVRG Converge ICT Solutions, Inc. P28.00 +P0.15 +0.54%	EMP Emperador, Inc. P19.20 -P0.10 -0.52%
GLO Globe Telecom, Inc. P2,458.00 +P50.00 +2.08%	GTCAP GT Capital Holdings, Inc. P523.00 +P11.00 +2.15%	ICT International Container Terminal Services, Inc. P217.80 +P14.80 +7.29%	JFC Jollibee Foods Corp. P212.20 +P5.20 +2.51%	JGS JG Summit Holdings, Inc. P54.90 +P1.90 +3.58%	LTG LT Group, Inc. P8.39 +P0.16 +1.94%	MBT Metropolitan Bank & Trust Co. P52.25 +P0.75 +1.46%	MEG Megaworld Corp. P2.80 ---	MER Manila Electric Co. P360.00 +P30.00 +9.09%	MONDE Monde Nissin Corp. P14.94 +P0.34 +2.33%
MPI Metro Pacific Investments Corp. P3.78 -P0.01 -0.26%	PGOLD Puregold Price Club, Inc. P34.25 +P1.75 +5.38%	RLC Robinsons Land Corp. P18.48 +P0.38 +2.10%	SECB Security Bank Corp. P95.00 +P2.20 +2.37%	SM SM Investments Corp. P870.00 +P38.00 +4.57%	SMC San Miguel Corp. P104.80 +P1.80 +1.75%	SMPH SM Prime Holdings, Inc. P36.70 -P0.10 -0.27%	TEL PLDT, Inc. P1,971.00 +P6.00 +0.31%	URC Universal Robina Corp. P106.50 -P0.80 -0.75%	WLCON Wilcon Depot, Inc. P27.60 -P0.55 -1.95%

First Gen allots \$550M for this year's capex

LOPEZ-LED First Gen Corp. has allocated \$550 million, or around P29 billion, for capital spending this year, with its renewable energy subsidiary cornering nearly half of the budget followed by its liquefied natural gas (LNG) terminal project.

"In 2022, we're expecting to spend \$550 million in capital expenditures (capex), mainly driven by EDC (Energy Development Corp.), the First Gen LNG terminal project and the Aya project," said Emmanuel Antonio P. Singson, the listed company's chief financial officer and treasurer.

"EDC will continue to have high capex this year, and is planning to spend approximately \$266 million to fund its growth initiatives, drilling programs and upgrades," he told stockholders during their virtual annual meeting on Wednesday.

Mr. Singson, who is also senior vice-president at First Gen, said 50% of the budget is allocated for EDC's growth

projects, specifically the 3.6-megawatt (MW) Mindanao 3 binary project, the 29-MW Palayan Bayan binary project, [the] 20-MW Tanawon plant, and energy storage. He also said part of the funds will go to a silica extraction project and wind energy projects.

First Gen's LNG terminal project has a \$135-million capex this year as it completes construction. The facility is expected to be ready to commercially operate in the fourth quarter of 2022.

"For the project Aya, we expect to spend \$70 million this year as we continue development work for the project," Mr. Singson said, referring to the pumped-storage facility.

"For the natural gas platform, \$50 million of capex is allotted for pre-development work on Santa Maria," he added, referring to a proposed power plant, while \$30 million is set aside for the maintenance of existing gas-fired power plants.

Based on data from the Department of Energy, the Santa Maria natural gas-

fired combined cycle has an installed rated capacity of 1,260 MW under First Gen EcoPower Solutions, Inc. It is located in Brgy. Santa Rita, Batangas City.

Mr. Singson also disclosed First Gen's expected capex next year.

"In 2023, we're expecting a lower capital expenditure of \$260M, mainly driven by EDC and project Aya," he said.

"EDC will continue to have capex and is planning to spend approximately \$141 million to fund its drilling programs, growth initiatives including Palayan Bayan, Tanawon and innovation growth projects," he said.

The Palayan Bayan binary plant will produce power using residual brine from an existing steam field.

"Meanwhile, First Gen LNG terminal project will have a capex of \$25 million in January 2023 for payment of transactions that closed in 2022," Mr. Singson said.

He said the company expects to spend \$90 million in 2023 for the 100-MW pumped-storage hydropower proj-

ect Aya in Nueva Ecija for the beginning of its construction work.

In May last year, First Gen said it was expecting to spend around \$530 million for 2021's capex projects, primarily driven by EDC, the LNG terminal project, and the Aya pumped-storage project.

On Monday, First Gen reported a recurring net income of \$59 million for the first quarter, down 24.4% from \$78 million in the previous year, as its natural gas and geothermal energy platforms recorded lower operating profit.

The company said it generated more power in the first quarter compared with the same period last year, but its 97-MW Avion gas-fired power plant and EDC were hit by unscheduled shutdowns.

First Gen has 3,495 MW of installed capacity in its portfolio, which it said accounts for 19% of the country's gross power generation.

On Wednesday, shares in First Gen closed unchanged at P20 each. — **Victor V. Saulon**

Metro Retail rebounds on consumer spending

METRO Retail Stores Group, Inc. said its first quarter net income grew to P33.34 million for the first three months of 2022, an improvement from its P126.47-million net loss in the similar period a year before.

The company said it is continuing to "gear up for recovery with stronger optimism," as foot traffic picks up with improving consumer spending following loosened health protocol restrictions.

Earnings before interest, taxes, depreciation, and amortization (EBITDA) for the first quarter grew by 63.2% to P386.38 million from P236.74 million.

"Our positive financial outcome attests to our continuous efforts in increasing efficiency, improving merchandise assortment and sourcing, and expanding omnichannel strategy," Metro Retail President Manuel C. Alberto said.

Net sales jumped by 23% to P8.51 billion from P6.92 billion for the same period last year, driven by the rise in store sales and the contribution of four new stores that opened last year.

Both its food retail and general merchandise businesses also grew by 21.2% and 29.8%, respectively.

"As we head on to our recovery and growth, Metro Retail Stores will keep its thrust on putting customers at the center of its business. We will continue to offer a great shopping experience to our existing and future customers and pursue multifaceted initiatives to be positioned for progressive growth," Mr. Alberto added.

The company recently opened two new stores, the Metro Paseo Supermarket in Cebu City and the Metro Hilongos Supermarket in Leyte, bringing its current store network to 63.

"While the company remains resolute in expanding its brick-and-mortar network, Metro Retail also acknowledges the growing significance of online shopping and the integral role of having an omnichannel presence beyond the pandemic," the firm added.

Apart from its web application, shopmetro.ph, the company said it is continuing to upgrade its e-commerce platform by adding participating stores in key cities in Luzon and Visayas, and partnering with other online channels and logistics providers.

On Wednesday, Metro Retail shares climbed by 1.45% or two centavos to P1.40 at the stock exchange. — **Luisa Maria Jacinta C. Jocsion**

Megaworld: BIR records show no outstanding or unpaid tax liabilities

MEGAWORLD Corp. on Wednesday said that it has no unpaid taxes with the Bureau of Internal Revenue (BIR), after clarifying that it had not received any closure order from the agency.

"Records with the BIR will confirm that Megaworld has no outstanding or unpaid past tax liabilities needing any enforcement action," the company said in a statement.

On Tuesday, the BIR released an advisory regarding the issuance of a closure order against the company.

On the same day, the bureau also announced that the closure order would be held in abeyance until further notice, noting that representatives from Megaworld manifested their "full cooperation" with all requirements from the agency.

"Megaworld has not received any closure order duly approved by the commissioner of internal revenue," the property developer added.

The company said that it is being regularly audited by the large taxpayers service of the BIR head office and all its tax returns up to taxable year 2020 have been examined. It also said that all previous deficiency assessments had been paid by the company and duly cleared by the BIR head office.

"There was an initial disagreement with the BIR Regional Office 8-B after we raised some issues with regard to their jurisdiction on conducting tax audits of some of our properties, but the matter has been clarified and resolved yesterday (Tuesday)," Megaworld added.

For any pending tax audits, the company said it would continue to maintain its stance of full cooperation with tax authorities.

At the stock exchange on Wednesday, Megaworld shares remained unchanged at P2.80 apiece. — **Luisa Maria Jacinta C. Jocsion**

CTS Global earnings down 29% as volatility hits trading gains

CTS Global Equity Group, Inc. reported that its first quarter net income ended lower by 29.9% to P20.1 million from P28.69 million due to lower trading gains amid poor global equity market conditions.

"For the first quarter of 2022, the main markets of CTS Global Equity experienced high market volatility," the company said in a disclosure.

Revenues likewise dropped by 56.7% to P38.39 million from P88.7 million.

"Breaking down the company's revenues into the markets which it operates in shows majority of revenues coming from the Philippine market at 57.2%, while global trading revenues contributed 42.8% of total revenues," it added.

Cost of services also decreased by 66.8% to P14.52 million from P43.75 due to the decrease in commission expenses, personnel costs, and transaction costs for completing proprietary trading transactions. Operating expenses

also fell by 21% to P5.96 million year on year.

Meanwhile, CTS Global reported that its net margins improved to 52.4% during the quarter from 32.3% for the same period in 2021.

Asset base increased by 15.4% to P1.1 billion and the company's cash position improved by 14.5% to P508.7 million.

The company's business segments include proprietary trading, brokerage services, and investment income.

Under proprietary trading, CTS Global has over 30 traders with exposure in global markets including the United States, China, Hong Kong, Japan, and the Philippines. For brokerage services, the company renders stock brokerage and dealership services at a fee for high-net-worth clients.

At the stock market on Wednesday, CTS Global remained unchanged at P0.87 per share. — **Luisa Maria Jacinta C. Jocsion**

Converge secures tax incentives for 'missionary' fiber rollout in remote areas

CONVERGE ICT Solutions, Inc. announced on Wednesday that it will enjoy tax incentives from the government for deploying fiber internet services in unserved and underserved areas.

The company has "secured the approval of the Fiscal Incentives Review Board (FIRB) to avail of tax incentives for its multi-phased establishment of connectivity facilities for high-speed broadband services targeting undeveloped and underserved areas nationwide until 2026," Converge said in an e-mailed statement.

"Under the approved incentives, Converge will receive four years of income tax holiday followed by five years of enhanced deductions or special corporate income tax as laid out in the CREATE Law (Corporate Recovery and Tax Incentives for Enterprises law), as well as 11 years of duty-free importation of capital equipment, raw materials, spare parts or accessories starting from the Registration Date," it added.

The company believes the FIRB approval was a recognition of the "missionary nature" of its project, which

is expected to "bring connectivity to marginalized areas of the Philippines."

"Broadband connectivity is one of the priority sectors that have a direct impact on AmBisyon Natin 2040, the government's long-term vision for the nation," it said.

Converge, which saw its attributable net income increase by 27% to P1.97 billion in first quarter, targets to roll out fiber-to-the-home infrastructure to cover more than 1,200 unserved and underserved towns nationwide. — **Arjay L. Balinbin**

FULL STORY



Read the full story by scanning the QR code or by typing the link https://bit.ly/3WqEVB8

Manulife

Single Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Price			
	Current Week	May 17, 2022	Previous Week	May 10, 2022
Peso Secure Fund	1.672	1.672	1.665	
Peso Diversified Value Fund	1.843	1.843	1.866	
Peso Growth Fund	2.742	2.742	2.843	
Peso Dynamic Allocation Fund	0.971	0.971	0.996	
Peso Target Distribution Fund	0.772	0.772	0.787	
Peso Cash Fund	1.016	1.016	1.016	
Peso Wealth Optimizer 2026 Fund	0.906	0.906	0.927	
Peso Wealth Optimizer 2031 Fund	0.862	0.862	0.888	
Peso Wealth Optimizer 2036 Fund	0.846	0.846	0.875	
Pow erhouse Fund	0.800	0.800	0.834	
Emperor Fund	0.829	0.829	0.863	
USD Secure Fund	1.504	1.504	1.505	
USD Asia Pacific Bond Fund	1.052	1.052	1.057	
USD Global Target Income Fund	0.770	0.770	0.780	
USD ASEAN Growth Fund	1.506	1.506	1.556	
USD Asia Pacific Property Income Fund	0.874	0.874	0.895	
RHP Asia Pacific Property Income Fund	0.860	0.860	0.880	
RHP Tiger Growth Fund	0.634	0.634	0.633	
USD Tiger Growth Fund	0.572	0.572	0.571	
RHP Global Preferred Securities Income Fund	0.950	0.950	0.960	
USD Global Preferred Securities Income Fund	0.862	0.862	0.872	
RHP US Growth Fund	0.965	0.965	0.984	
USD US Growth Fund	0.863	0.863	0.879	

These investment funds are specific to variable life insurance contracts and are not considered mutual funds. Life insurance products are regulated by the Insurance Commission.

Manulife

Dual Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Bid Price			
	Current Week	May 17, 2022	Previous Week	May 10, 2022
Peso Bond Fund	2.846	2.846	2.967	
Peso Stable Fund	2.790	2.790	2.825	
Peso Equity Fund	2.047	2.047	2.122	
Peso Balanced Fund	0.994	0.994	1.019	
Peso Target Income Fund	0.787	0.787	0.802	
U.S. Dollar Bond Fund	2.148	2.148	2.150	

Unit Offer Price

Fund	Unit Offer Price			
	Current Week	May 17, 2022	Previous Week	May 10, 2022
Peso Bond Fund	2.889	2.889	2.911	
Peso Stable Fund	2.832	2.832	2.868	
Peso Equity Fund	2.078	2.078	2.154	
Peso Balanced Fund	1.009	1.009	1.035	
Peso Target Income Fund	0.799	0.799	0.814	
U.S. Dollar Bond Fund	2.181	2.181	2.183	

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Manulife China Bank

Single Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Price			
	Current Week	May 17, 2022	Previous Week	May 10, 2022
Peso Secure Fund	1.672	1.672	1.664	
Peso Diversified Value Fund	1.813	1.813	1.837	
Peso Growth Fund	2.673	2.673	2.771	
Peso Dynamic Allocation Fund	0.968	0.968	0.993	
Peso Target Distribution Fund	0.766	0.766	0.781	
Peso Cash Fund	0.990	0.990	0.990	
Peso Wealth Optimizer 2026 Fund	0.853	0.853	0.873	
Peso Wealth Optimizer 2031 Fund	0.806	0.806	0.831	
Peso Wealth Optimizer 2036 Fund	0.784	0.784	0.811	
Pow erhouse Fund	0.801	0.801	0.835	
USD Secure Fund	1.488	1.488	1.491	
USD Asia Pacific Bond Fund	1.026	1.026	1.034	
USD Global Target Income Fund	0.774	0.774	0.785	
USD ASEAN Growth Fund	1.481	1.481	1.531	
Chinabank Dollar Fixed Income VUL Fund	1.000	1.000	0.999	
USD Asia Fund	1.166	1.166	1.179	
USD Asia Pacific Property Income Fund	0.876	0.876	0.897	
RHP Asia Pacific Property Income Fund	0.871	0.871	0.891	
RHP Tiger Growth Fund	0.643	0.643	0.642	
USD Tiger Growth Fund	0.579	0.579	0.578	
RHP Global Preferred Securities Income Fund	0.944	0.944	0.954	
USD Global Preferred Securities Income Fund	0.865	0.865	0.875	
RHP US Growth Fund	0.947	0.947	0.965	
USD US Growth Fund	0.859	0.859	0.875	

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Manulife China Bank

Dual Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Bid Price			
	Current Week	May 17, 2022	Previous Week	May 10, 2022
Peso Bond Fund	1.973	1.973	1.988	
Peso Stable Fund	1.916	1.916	1.916	
Peso Equity Fund	0.992	0.992	1.007	
Peso Balanced Fund	0.790	0.790	0.795	
Peso Target Income Fund	1.596	1.596	1.599	
U.S. Dollar Bond Fund	1.596	1.596	1.599	

Unit Offer Price

Fund	Unit Offer Price			
	Current Week	May 17, 2022	Previous Week	May 10, 2022
Peso Bond Fund	2.003	2.003	2.018	
Peso Stable Fund	1.877	1.877	1.901	
Peso Equity Fund	1.016	1.016	1.045	
Peso Balanced Fund	0.997	0.997	1.022	
Peso Target Income Fund	0.792	0.792	0.807	
U.S. Dollar Bond Fund	1.590	1.590	1.593	

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