

Philippine Stock Exchange index (PSEi)

6,680.68

▲ 208.84 PTS.

▲ 3.22%

THURSDAY, AUGUST 11, 2022

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P720.00 +P13.00 +1.84%	ACEN AC Energy Corp. P8.60 +P0.21 +2.50%	AEV Aboitiz Equity Ventures, Inc. P59.70 +P2.35 +4.10%	AGI Alliance Global Group, Inc. P9.50 +P0.52 +5.79%	ALI Ayala Land, Inc. P28.05 +P1.70 +6.45%	AP Aboitiz Power Corp. P32.00 +P1.10 +3.56%	BDO BDO Unibank, Inc. P115.90 +P3.10 +2.75%	BPI Bank of the Philippine Islands P95.00 +P0.75 +0.80%	CNVRG Converge ICT Solutions, Inc. P20.95 +P0.65 +3.20%	EMI Emperador, Inc. P19.10 +P0.04 +0.21%
GLO Globe Telecom, Inc. P2,190.00 +P140.00 +6.83%	GTCAP GT Capital Holdings, Inc. P493.00 +P26.20 +5.61%	ICT International Container Terminal Services, Inc. P184.00 +P6.00 +3.37%	JFC Jollibee Foods Corp. P233.00 +P15.00 +6.88%	JGS JG Summit Holdings, Inc. P55.05 +P0.65 +1.19%	LTG LT Group, Inc. P8.74 +P0.14 +1.63%	MBT Metropolitan Bank & Trust Co. P50.90 +P0.90 +1.80%	MEG Megaworld Corp. P2.42 +P0.12 +5.22%	MER Manila Electric Co. P325.00 +P13.60 +4.37%	MONDE Monde Nissin Corp. P16.30 +P0.14 +0.87%
MPI Metro Pacific Investments Corp. P3.74 +P0.04 +1.08%	PGOLD Puregold Price Club, Inc. P33.85 +P0.55 +1.65%	RLC Robinsons Land Corp. P19.30 +P1.56 +8.79%	SCC Semirara Mining and Power Corp. P40.40 +P0.85 +2.15%	SM SM Investments Corp. P845.00 +P36.00 +4.45%	SMC San Miguel Corp. P104.20 +P2.20 +2.16%	SMPH SM Prime Holdings, Inc. P39.00 +P1.35 +3.59%	TEL PLDT, Inc. P1,811.00 +P31.00 +1.74%	URC Universal Robina Corp. P126.30 +P1.00 +0.80%	WLCON Wilcon Depot, Inc. P29.15 +P0.75 +2.64%

ABS-CBN, TV5 partnership to face scrutiny — NTC

By Arjay L. Balinbin Senior Reporter

THE National Telecommunications Commission (NTC) will investigate the partnership between ABS-CBN Corp. and TV5 Network, Inc. of the Pangilinan group's MediaQuest Holdings, Inc., a commissioner said on Thursday.

"Kailangan po natin ito busisiin mabuti dahil madami pong lumabas na violations ang ABS-CBN noong nakaraang pagdinig ng renewal ng kanilang prangkisa noong nakaraang 18th Congress na nagresulta sa 'di pag-renew ng kanilang prangkisa," NTC Commissioner Gamaliel A. Cordoba said in a statement when asked to comment on the deal signed by the two media companies on Wednesday.

(We need to study this carefully because the previous hearing on ABS-CBN's franchise in the 18th Congress revealed numerous violations committed by the company, which resulted in the network's franchise not being renewed.) ABS-CBN was forced to stop its broadcast operations in May 2020 after former President Rodrigo R. Duterte's allies in Congress denied its franchise renewal application.

According to the NTC, it has issued a memorandum order prohibiting franchise grantees from entering into commercial agreements — in which the commission has jurisdiction — with parties "that have outstanding obligations to the national and local governments."

"The franchise grantee shall ensure that all the parties it transacts or enters into agreements with obtain clearances

from the Bureau of Internal Revenue, Bureau of Customs, NTC, and Securities and Exchange Commission," Mr. Cordoba said.

The commercial agreements together with these clearances should be submitted by the franchise grantee to the NTC "prior to consummation."

"Ang iba pong ahensiya ng gobyerno ay tutulong din po sa pagbusisi nitong mga violations na ito na lumabas noong 18th Congress, kasama po dito ang DOJ, LRA, PCC at ibapa," Mr. Cordoba added. (Other government agencies, such as the Department of Justice, Land Registration Authority, and Philippine Competition Commission, will help in the investigation of the violations seen in the 18th Congress.)

Under the partnership deal, the equity of the MediaQuest group — which is owned and controlled by the PLDT Beneficial Trust Fund — in TV5 will be reduced to 64.79% of the voting and outstanding capital stock, allowing it to retain control of the television network.

'SYNERGIES'

Analysts see the partnership as mutually beneficial for ABS-CBN and TV5 Network.

"There would be synergies in the partnership... in terms of programs/content and wider reach to more Filipinos nationwide and globally, building up on earlier agreements such as some ABS-CBN shows aired by TV5," Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a phone message to *BusinessWorld*.

The partnership would also lead to "higher advertising revenues/

sales, earnings, and valuation for both groups," he added.

The partnership should help level the playing field as they could leverage on each other's expertise against the ever-changing technology-driven business, according to Regina Capital Development Corp. Equity Analyst Anna Corene M. Agravio.

"While everything isn't set in stone as of yet, the news was positively viewed by the market — leading to a gap-up in ABS-CBN share prices today," she said in a phone message.

For his part, Globalinks Securities and Stocks, Inc. Head of Sales Trading Toby Allan C. Arce said: "TV5 will finally get the popular content it has been searching for since MediaQuest took over in 2010."

"ABS-CBN will finally get a home for its top-rating shows after losing its franchise two years ago."

Mercantile Securities Corp. Analyst Jeff Radley C. See said that investors "should stay cautious" given the "political" factors that could affect the partnership.

"We can't really do anything if they still continue to target ABS-CBN," he said, alluding to the lawmakers and groups critical of the media company.

'SABOTAGE'

Terry L. Ridon, a public investment analyst and convener of think tank InfraWatch PH, said the ABS-CBN-TV5 deal has no impact on franchise and competition.

"Adversaries of ABS-CBN at all levels of government will try to sabotage this partnership. In fact, we are already seeing this in Congress, as some congressmen are pushing for inquiries into the deal," he said in an e-mailed statement.

He pointed out that the deal is not a franchise issue. "This involves no transfer of controlling stakes requiring congressional approval."

On the competition side, he said there might be no basis for the PCC to strike the deal, as it does not involve a transaction that will reduce or limit competition.

"In fact, when ABS-CBN lost its franchise in 2020, it ceased to be the dominant player in the broadcast segment, and TV5 has not yet attained dominant status in the same sector," Mr. Ridon noted.

"However, given the size of the transaction and the entities involved, they may opt to undertake voluntary review with the PCC. This is not compulsory, as the transaction does not meet the current P50-billion threshold for compulsory review," he added.

The PCC has warned both ABS-CBN and TV5 "to ensure compliance with our antitrust law and engage in consultation with the commission, where necessary."

"The PCC's mandate to review transactions, whether on the basis of compulsory notification or motu proprio, remains in place to avoid the rise of new monopolies or consolidation of market power that may be detrimental to consumers," the commission said in a recent statement.

ABS-CBN shares closed 5.09% higher at P11.98 apiece on Thursday, while PLDT shares closed 1.74% higher at P1,811 apiece.

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.

BRIEFS

Century Properties posts 26% profit hike to P175M

CENTURY Properties Group, Inc. (CPG) posted a net income of P174.75 million attributable to equity holders in the second quarter, nearly 26% higher than a year ago, after posting double-digit revenue growth.

In its financial report filed with the stock exchange on Thursday, the property developer reported gross revenues of P2.7 billion, 14.9% higher than the level a year ago.

In the first half, its attributable income reached P324.26 million, up 15.5% from P280.63 million previously. Revenues during the semester grew by 19.9% to P5.31 billion from P4.43 billion.

Its net income after tax reached P548.38 million, up nearly 20% from P457.06 million a year ago.

FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link
<https://bit.ly/3zLXCE8>

Boulevard Holdings to focus on Friday's resorts

BOULEVARD Holdings, Inc. (BHI) will not have new projects for the second half but instead, focus on developing its Friday's resorts in Puerto Galera and Boracay.

"We're going to do a very conservative approach.

We're just going to improve our two Friday's resorts first," BHI President and Chief Executive Officer Jose Marcel E. Panlilio said during BHI's annual stockholders' meeting.

One of the company's projects is the land connectivity of its Friday's Puerto Galera at Boquete Island, which is an answer to the rising prices of oil that is causing higher operating costs.

BHI is set to complete in the second half of 2022 and until May next year water installations, re-conditioning, engine replacements and re-roofing projects.

— **Justine Irish D. Tabile**

FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link
<https://bit.ly/30CT49W>

Holcim income drops 67% on soft demand

HOLCIM Philippines, Inc. reported on Thursday a 66.6% drop in its second-quarter attributable profit to P240.77 million from P721.27 million in the same period last year amid soft market and cost pressures.

In a press release, the company said it "faced escalating costs driven by significant hikes in fuel and power prices, as well as slower demand particularly from the public sector as the new-construction ban took effect in relation to the national elections."

Gross revenues for the second quarter declined by 20.8% to P5.43 billion from P6.86 billion last year, its financial report filed to the exchange showed.

In the first six months, Holcim Philippines' attributable income fell by 59.4% to P661.05 million from P1.63 billion.

Revenues for the first semester were recorded at P12.17 million, down 10.9% compared with P13.66 million in the corresponding period last year. — **Ashley Erika O. Jose**

FULL STORY



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Converge lowers capex guidance to P21-23 billion; Q2 profit up 16%

CONVERGE ICT Solutions, Inc. has revised its capital expenditure (capex) guidance for the year, lowering it to P21-23 billion from P26-28 billion previously.

"With weak peso like today, capex is expensive," Matthias Vukovich, Converge chief financial officer advisor, said during a press briefing on Thursday.

"We can activate... new subscribers without needing more capex," he noted. "This will also reduce the need for Converge to draw further debt during this high interest rate environment."

Converge accelerated its network rollout by deploying 1.2 million new fiber-to-the-home ports nationwide in the first half of 2022.

Despite external challenges, the company remains bullish on its growth in the second half of the year "because there are still a lot of areas where we don't operate," Converge Chief Operations Officer Jesus C. Romero said.

The company expects that strong demand for high-speed broadband will result in the continuous growth of its residential subscriber base to approximately two million by the end of 2022, lower than its initial guidance of approximately 2.4 million, "due to higher than expected churn in the first half."

Converge also said that it is on track to deliver enterprise revenue growth of 20% year on year, in line with its initial guidance.

"The revised outlook for our residential business results in a consolidated year-on-year revenue growth guidance of 25-30% for 2022," it said in a statement.

SECOND-QUARTER PROFIT

The company saw its profit after income tax for the second quarter of the year rise 16% to P1.98 billion from P1.70 billion in the same period a year ago.

Revenues for the period increased 33% to P8.31 billion from P6.24 billion previously.

For the first six months of the year, the company's profit grew 21% to P3.95 billion from P3.25 billion a year earlier.

Revenues for the first semester rose 36% to P16.05 billion from P11.78 billion in 2021.

"We will continue to expand as we aim to serve the connectivity needs of our people which we hope will also help aid the country's economic recovery amid the continued threat of COVID-19 (coronavirus disease 2019) and inflationary pressures due to the unstable external environment," Converge Chief Executive Officer Dennis Anthony H. Uy said.

Converge ICT shares closed 3.20% higher at P20.95 apiece on Thursday. — **Arjay L. Balinbin**

Global-Estate's earnings surge 33% to P405M; hotels lead growth

GLOBAL-ESTATE Resorts, Inc. (GERI) posted a 33.2% increase in its attributable net income of P404.55 million in the second quarter as most of its business segments recorded higher revenues.

Revenues surged by 41.5% to P1.74 billion for the April-June period from P1.23 billion in the same period last year, its quarterly financial report filed with the stock exchange showed.

In the first half, the Megaworld Corp. subsidiary recorded a 24%

increase in attributable income to P747.58 million in the first half after booking growth in its hotel revenues amid eased mobility restrictions.

"We are seeing the tourism and leisure market gain momentum, benefiting our company which is best positioned to accommodate this return and influx of tourist arrivals," GERI President Monica T. Salomon said in a press release on Thursday.

Its topline during the first six months grew by 22% to P2.96 billion backed by strong real estate

sales, which registered a 29% increase to P2.3 billion.

Hotel revenues, which posted the biggest growth among GERI's business segments, posted a 253% rise to P158 million attributed to the reopening of hotels to meet the increase in tourist arrivals.

GERI also realized an increase of 11% in reservation sales in its properties in Boracay, Newcoast, Eastland Heights, Twin Lakes and Arden Botanical Estate to P212 million.

Rental income, which benefited from the reopening of the

economy, was up by 11% to P212 million.

"Likewise, the continued improvement in mobility has allowed for higher completion of our residential projects, particularly during the second quarter," Ms. Salomon added. — **Justine Irish D. Tabile**

FULL STORY



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<https://bit.ly/30xVQNB>

SLMC Bonifacio Global City MAB Corp.

NOTICE OF ANNUAL MEETING OF THE STOCKHOLDERS

To: The Stockholders

From: The Corporate Secretary

Please be notified that the Annual Stockholders' Meeting of **SLMC Bonifacio Global City MAB Corp.** (the "Corporation") will be held on **September 14, 2022, 12:00 noon through teleconference.** The access to the meeting and the relevant Definitive Information Statement, Management Report, Annual Report (SEC Form 17-A) will be distributed prior to the meeting through email.

Below is the Agenda of the Meeting.

AGENDA

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of the Minutes of the Annual Stockholders' Meeting held on September 8, 2021
4. President's Report
5. Financial Report
6. Appraisals and performance report for the board and the criteria and procedure for assessment
7. Approval of the Audited Financial Statements for Year Ended December 31, 2021
8. Ratification of Acts of Management and Board of Directors
9. Amendment of Articles of Incorporation and ByLaws
10. Election of Directors
11. Appointment of External Auditor
12. Other Matters
13. Adjournment


CONRADO S. DAR SANTOS
Corporate Secretary