

Philippine Stock Exchange index (PSEi)

6,403.74

▲ 11.65 PTS.

▲ 0.18%

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BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P668.00 -P2.00 -0.30%	ACEN ACEN Corp. P7.05 +P0.05 +0.71%	AEV Aboitiz Equity Ventures, Inc. P56.35 +P1.10 +1.99%	AGI Alliance Global Group, Inc. P9.20 -P0.07 -0.76%	ALI Ayala Land, Inc. P28.50 +P0.70 +2.52%	AP Aboitiz Power Corp. P33.85 +P0.35 +1.04%	BDO BDO Unibank, Inc. P128.50 -P0.50 -0.39%	BPI Bank of the Philippine Islands P95.80 -P0.80 -0.83%	CNVRG Converge ICT Solutions, Inc. P15.00 -P0.08 -0.53%	EMI Emperador, Inc. P20.30 +P0.05 +0.25%
GLO Globe Telecom, Inc. P2,222.00 ---	GTCAP GT Capital Holdings, Inc. P412.80 +P5.80 +1.43%	ICT International Container Terminal Services, Inc. P184.20 -P3.30 -1.76%	JFC Jollibee Foods Corp. P242.00 -P1.00 -0.41%	JGS JG Summit Holdings, Inc. P45.00 -P0.20 -0.44%	LTG LT Group, Inc. P9.09 +P0.21 +2.36%	MBT Metropolitan Bank & Trust Co. P50.20 -P0.80 -1.57%	MEG Megaworld Corp. P2.18 -P0.01 -0.46%	MER Manila Electric Co. P305.60 +P2.60 +0.86%	MONDE Monde Nissin Corp. P12.32 +P0.32 +2.67%
MPI Metro Pacific Investments Corp. P3.40 +P0.01 +0.29%	PGOLD Puregold Price Club, Inc. P34.80 ---	RLC Robinsons Land Corp. P15.96 -P0.04 -0.25%	SCC Semirara Mining and Power Corp. P30.55 +P0.35 +1.16%	SM SM Investments Corp. P867.00 -P3.00 -0.34%	SMC San Miguel Corp. P97.90 +P0.10 +0.10%	SMPH SM Prime Holdings, Inc. P34.60 -P0.20 -0.57%	TEL PLDT, Inc. P1,578.00 +P26.00 +1.68%	URC Universal Robina Corp. P132.20 +P3.50 +2.72%	WLCON Wilcon Depot, Inc. P31.20 +P0.60 +1.96%

Megawide says court affirmed dismissal of anti-dummy case

MEGAWIDE Construction Corp. announced on Thursday that it received a court order denying the Lapu-Lapu City prosecutor's motion for reconsideration in the anti-dummy law violation case filed against the company's officials.

The order, dated Sept. 27, was issued by the Regional Trial Court of Lapu-Lapu City, Branch 53, Megawide said in a statement. The order also "confirms the dismissal of the case," the company added.

The case was filed against some officials of Megawide in their capacity as directors of GMR Megawide Cebu Airport Corp. (GM-CAC), operator of Mactan-Cebu International Airport (MCIA).

Megawide officials involved in the case are Edgar B. Saavedra, chairman of the board of directors, chief executive officer, and president; Manuel Louie B. Ferrer, vice-chairman of the board and executive director for infrastructure development; Oliver Y. Tan, director; and Jez G. Dela

Cruz, vice-president for corporate finance and planning.

According to the company, the order affirmed that Republic Act (RA) No. 11659, which amends the Public Service Act, excludes airports from the list of what is classified as a public utility; "thereby, removing the applicability of the nationality requirement to GM-CAC in operating the Mactan-Cebu International Airport."

"The order also stated that applying RA No. 11659 retroactively has removed any criminal

liability that was wrongfully attached to the Megawide respondents. Given that RA No. 11659 is beneficial to the accused, the order emphasized that its retroactive application is warranted," it added.

At the same time, the company announced that it also received a certificate of finality from the court "certifying that the order was issued and declaring that the order has become final and executory on Oct. 14, 2022." — **Arjay L. Balinbin**

Figaro Group's profit up 36% to P83 million as store sales climb

FIGARO Coffee Group, Inc. posted a 36.5% increase in attributable net income to P83.42 million in the first quarter from P61.11 million a year ago, after booking higher revenues.

The listed company starts its fiscal year in July and ends in June of the succeeding year. Through its subsidiary Figaro Coffee Systems, Inc., it operates and franchises retail restaurants.

In the three months ending September, the company's top line reached P1.02 billion, up by 56.9% from the P649.16 million it booked in the same period last year.

Its top revenue contributor during the quarter is the Angel's Pizza brand, which accounted for P681.43 million. Its other brands — Figaro Coffee and Tien Ma's Taiwanese Cuisine — contributed P312.27 million and P24.99 million, respectively.

During the quarter, the company saw a 51.4% in-

crease in systemwide sales to P988.41 million from P653.04 million last year.

"This was brought about by the opening of stores which brought the total number of stores to 138 by end of September," the company said in its quarterly regulatory filing.

The company's direct costs during the period climbed to P674.25 million, up by 58.9% from P424.33 million a year ago. Its operating expenses reached P240.77 million, 72.8% higher than P139.33 million in the previous year.

According to the report, the increase in expenses resulted from massive store opening activities and increasing overhead costs. Figaro Coffee operates commercial franchises in the food industry.

On the stock market on Thursday, shares in Figaro Coffee climbed by two centavos or 3.28% to P0.63 apiece.

— **Justine Irish D. Tabile**

Canon Philippines opens Visayas regional office

CANON Marketing Philippines, Inc. recently opened a regional office in Visayas as part of expanding its coverage in the country.

Launched on Nov. 9, the new regional office will complement the company's authorized service center network. Canon's products include cameras, lenses, and printers.

"The open-concept workspace provides employees the mobility to interact and collaborate more freely and comfortably. Customers are also able to avail of checkup, cleaning, and repair services for their Canon cameras and lenses," the company said in a statement on Thursday.

"The expansion reaffirms Canon's continued investment in the Philippines, which has remained a key player in the company's Asia growth strategy since its arrival in the country 25 years ago. Looking ahead, Canon has continued to see its shared desire for progress and growth affirmed by positive net sales results, as well as the encouraging economic and market potential of the country," it added.

Canon Philippines President and Chief Executive Officer Anuj Aggarwal said that the Visayas office allows the company to better serve its clients.

"The local team here has placed a premium on operations that will allow us to smoothly serve clients across the country better, as well as provide them with the convenience and confidence of Canon's excellent after-sales experiences right in their neighborhood. We look forward to welcoming those from Cebu City and nearby areas," Mr. Aggarwal said.

Canon's Visayas regional office is located on the 9th floor, Unit 10, JEG Tower, Archbishop Reyes Ave. corner Acacia St., Cebu City. — **Revin Mikhael D. Ochave**

Lazada sees strong sales for beauty items, electronics at recent '11.11' sale

E-COMMERCE platform Lazada recorded higher sales for beauty items, electronics, and activewear during its recent "11.11" sale ahead of the holiday season.

In a statement on Thursday, it said beauty products sold during the sale event increased, with makeup orders up seven times, while fragrance purchases increased six times compared to normal days.

According to Lazada, some of the top beauty products bought by Filipinos

during the sale were Vitamin C serum, retinol, and tinted sunscreen. The top lipstick shades sold in the first hour of the sale were red, nude, and pink shades.

The company added that 11.4 million baby wipes were sold in the first hour of the sale, while activewear sales increased 19 times.

Lazada also disclosed that electronics sales surged 230 times compared to normal days. The top devices were

virtual reality accessories, smart switches, and watches, adding that orders doubled year over year.

"11.11 has become more than just a shopping tradition, it has become a part of consumers' lifestyles as we all seek for the best deals and trendiest assortment. Just as importantly, it is also an avenue for brands and sellers to thrive and reach more customers," Lazada Philippines Chief Executive Officer Carlos Barrera said.

Lazada is targeting to serve 300 million shoppers by 2030 and to achieve a \$100-billion annual gross merchandise value. The e-commerce platform has a presence in the Philippines, Indonesia, Malaysia, Singapore, Thailand, and Vietnam.

In a separate statement, logistics engine Locad said that it posted six times more items sold, 2.5 times bigger average basket size, and four times higher spending per order in this year's 11.11 sale versus last year.

"Despite the surge in orders, Locad reports 99% on-time fulfillment and 93% next day shipped on 11.11 orders across Lazada, Shopee, Zalora, TikTok Shop, and more," it said.

"This increase could be driven by consumers purchasing more items in each order to maximize available discounts and promos offered by online merchants, brands, and market places," it added.

Locad is a logistics engine that supports e-commerce brands to automatically store, pack, ship, and track orders across the Asia-Pacific region.

Its platform harmonizes inventory across online channels and arranges end-to-end order fulfillment through its warehouse network and shipping partners in Singapore, the Philippines, Thailand, Hong Kong, and Australia. — **Revin Mikhael D. Ochave**



Meralco conducts major upgrades to strengthen its distribution network

Seen in photos are Meralco crews as they conduct an extensive maintenance project covering ten (10) barangays in Pasay City. The project forms part of its grid resiliency and storm-hardening program which aims to improve Meralco's system reliability and service delivery to its customers. Completed by 121 line crews, this project

involved the installation of 9.3 kilometers of covered conductors, overhead shield wires, and replacement of poles. Meralco and its subsidiaries are continuously working to strengthen its distribution system in order to provide safe, adequate, reliable, and sustainable electric service to its more than 7.5 million customers.

S&P
from SI/1

"However, the fiscal position will likely take longer than our forecast period to recover to pre-pandemic levels," it said.

S&P forecasts the Philippines to bring down its general government deficit to 5% of GDP this year, from 6% in 2021. The central government deficit is also seen to narrow to 7.2% of GDP this year, against the national budget's estimate of 7.6%.

However, the government's efforts to provide support measures countering elevated inflation may hamper an improvement in fiscal outcome, S&P said.

"The fiscal shortfall should continue to narrow over the coming years while the economy regains its footing and the government scales back stimulus measures," it added.

The Philippines may face difficulty in restoring the fiscal and debt settings to pre-pandemic levels in the next 12 months to two years due to rising inflation, tightening monetary policies and supply chain disruptions, S&P said.

The Philippines' debt-to-GDP ratio stood at a 17-year high of 63.7% as of the third quarter, well above the internationally recommended threshold of 60%.

Inflation climbed by 7.7% year on year in October, the fastest in nearly



AN AERIAL VIEW shows the Ortigas business district in Pasig City, June 10.

lead to a "significant erosion" of the long-term growth trend.

"Indications of downward pressure on the ratings would be a sustained annual change in the net general government debt that is higher than 4% of GDP and the general government net debt stock exceeding 60% of GDP, or interest payments exceeding 15% of revenue on a sustained basis," it said.

S&P said the "persistently large" current account deficits are another downside risk to the Philippines' credit rating.

In the first semester, the current account balance hit a \$12-billion deficit, widening from the \$1.3-billion gap a year earlier.

"We believe deficits will persist over the forecast years as capital imports rebound alongside the economy recovery and higher commodity prices prevail," the debt watcher said.

"Nevertheless, current account deficits should moderate in the outer years. This is because competitive unit labor costs relative to peers such as Thailand and Indonesia, combined with a large, young, educated and flexible labor force should further strengthen the Philippines' service exports," it added. — **Keisha B. Ta-asan**