

## Philippine Stock Exchange index (PSEi)

6,556.20

▼43.14 PTS.

▼0.65%

TUESDAY, FEBRUARY 28, 2023

BusinessWorld

## PSEi MEMBER STOCKS

<b>AC</b> Ayala Corp. P625.00 -P23.00 -3.55%	<b>ACEN</b> ACEN Corp. P6.34 -P0.26 -3.94%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P54.00 ---	<b>AGI</b> Alliance Global Group, Inc. P12.58 +P0.08 +0.64%	<b>ALI</b> Ayala Land, Inc. P28.50 ---	<b>AP</b> Aboitiz Power Corp. P37.85 +P1.35 +3.7%	<b>BDO</b> BDO Unibank, Inc. P123.40 -P0.70 -0.56%	<b>BPI</b> Bank of the Philippine Islands P109.80 +P6.80 +6.6%	<b>CNVRG</b> Converge ICT Solutions, Inc. P16.26 +P0.64 +4.10%	<b>DMC</b> DMCI Holdings, Inc. P10.56 -P0.36 -3.3%
<b>EMI</b> Emperador, Inc. P20.80 +P0.20 +0.97%	<b>GLO</b> Globe Telecom, Inc. P1,775.00 -P96.00 -5.13%	<b>GTCAP</b> GT Capital Holdings, Inc. P519.00 +P24.00 +4.85%	<b>ICT</b> International Container Terminal Services, Inc. P199.80 -P0.20 -0.10%	<b>JFC</b> Jollibee Foods Corp. P240.00 +P4.80 +2.04%	<b>JGS</b> JG Summit Holdings, Inc. P49.30 -P1.20 -2.38%	<b>LTG</b> LT Group, Inc. P10.50 +P0.30 +2.94%	<b>MBT</b> Metropolitan Bank & Trust Co. P58.20 -P1.70 -2.84%	<b>MER</b> Manila Electric Co. P317.80 +P3.00 +0.95%	<b>MONDE</b> Monde Nissin Corp. P12.06 +P0.86 +7.68%
<b>MPI</b> Metro Pacific Investments Corp. P4.08 +P0.02 +0.49%	<b>PGOLD</b> Puregold Price Club, Inc. P31.50 +P0.20 +0.64%	<b>SCC</b> Semirara Mining and Power Corp. P30.00 +P0.05 +0.17%	<b>SM</b> SM Investments Corp. P852.00 -P42.50 -4.75%	<b>SMC</b> San Miguel Corp. P115.00 +P7.40 +6.88%	<b>SMPH</b> SM Prime Holdings, Inc. P34.05 -P1.05 -2.99%	<b>TEL</b> PLDT Inc. P1,285.00 +P4.00 +0.31%	<b>UBP</b> Union Bank of the Philippines P87.95 +P0.45 +0.51%	<b>URC</b> Universal Robina Corp. P136.50 -P1.50 -1.09%	<b>WLCON</b> Wilcon Depot, Inc. P31.60 -P0.05 -0.16%

## Strong coal, power sales fuel SMPC record profit

SEMIRARA Mining and Power Corp. (SMPC) posted a record-high net income of P39.9 billion in 2022, more than double the P16.2 billion recorded a year earlier, on strong domestic coal shipments and higher electricity sales at the spot market.

"Last year, we focused on the Philippine, South Korean, and other ASEAN markets to lessen our dependency on China, which had been importing heavily discounted Russian coal," SMPC

President and Chief Operating Officer Maria Cristina C. Gotionun said in a statement on Tuesday.

SMPC also attributed the profit increase to elevated market prices.

For 2022, the company said domestic coal sales increased to 7.7 million metric tons (MT), up by 32.8% from 5.8 million MT a year earlier, while exports dropped by 24.5% to 7.1 million MT from 9.4 million MT.

The average selling price of Semirara coal surged by 90.6% to P5,136 from P2,695 on increasing index prices and higher-grade coal sold.

SMPC also said that combined spot electricity sales from its subsidiaries SEM-Calaca Power Corp. and Southwest Luzon Power Generation Corp. increased by 83% to 1,881 gigawatt-hours (GWh) from 1,028 GWh.

Meanwhile, the average selling price of spot electricity went up

by 35.4% to P7.46 per kilowatt-hour (kWh) from P5.51 per kWh on high fuel costs and thin supply-demand margins.

In the fourth quarter, SMPC saw its consolidated net income decrease to P3.9 billion, down by 33.9% from P5.9 billion in the corresponding period a year earlier.

The company attributed the decline to higher stripping costs, a lower average foreign exchange rate, an income tax and other expenses of P1 billion in relation

to the deferral of the income tax holiday of its Molave mine for 2020.

Coal sales for the October-December period went up by 20% to 3 million MT from 2.5 million MT as domestic shipments surged by about 72.7% to 1.9 million MT from 1.1 million MT.

In the fourth quarter, the average selling price of Semirara coal increased by 9.2% to P4,861 from P4,452 on higher market prices and as lower-grade coal sales saw

a significant increase to 736,674 MT from 212,431 MT.

SMPC's power segment reported spot market sales of 335 GWh, down by 37.7% from 538 GWh due to the 86-day maintenance outage of SEM-Calaca's unit 1 and the 42-day unplanned outage of its unit 2.

On Tuesday, shares in the company rose 0.17% or five centavos to close at P30 each on the stock exchange. — **Ashley Erika O. Jose**

## Converge, Korea's KT plan digital transformation tie-up

LISTED fiber internet provider Converge ICT Solutions, Inc. and South Korea's KT Corp. signed a memorandum of understanding (MoU) that aims to support digital transformation in the Philippines.

"This potential partnership with KT will allow us to co-innovate and deliver advanced technologies suited for the needs of Philippine businesses, especially small and medium enterprises," Converge Co-Founder and President Maria Grace Y. Uy said in a statement.

In a press release, the company said that the signed MoU dated Feb. 27 will allow KT to extend digital tools and innovations to enterprises in the Philippines.

Also covered in the MoU is the plan of pursuing digital transformation solutions in the Philippines such as a cloud-based surveillance solution called Video Surveillance as a Service and transportation management technology Mobility as a Service.

"We are one with Converge in championing digital democracy to improve the lives of their customers and we hope that through this venture, we could contribute further to the advancement of other industries in the Philippines," KT Chief Executive Officer Ku Hyeongmo said.

Meanwhile, Converge Chief Executive Officer and Co-founder Dennis Anthony H. Uy said the company will continue to "co-innovate" with its partners to empower local industries.

"We are continuously working with global technology companies to provide augmented digital solutions that adapt to the requirements of our evolving business environment," Mr. Uy said.

KT is a leading telecommunications provider in South Korea. It provides wired and wireless communication solutions and services for energy management, security and safety management, and financial technology, among others. — **Justine Irish D. Tabile**

## EdgePoint to build new sites, increase number of tenants in 2023

TELECOMMUNICATIONS infrastructure company EdgePoint Infrastructure Sdn. Bhd. said it is targeting to increase its sites and the number of its tenants in the Philippines this year, banking on the company's optimistic outlook for the industry in the country.

"We think it is extremely positive. That's really why we're investing in the Philippines, we think it is a great location for telcos," EdgePoint Infrastructure Chief Executive Officer Suresh Sidhu said in a media briefing on Tuesday.

"We hope we can build another 100 to 200 new sites and we hope we can get somewhere between 100 to 200 new tenants," he added.

At present, the company has around 2,500 telco towers in the country out of the over 13,000 sites it has across Indonesia, Malaysia, and the Philippines.

For this year, the company said it is expecting the delivery of the remaining 472 towers from PLDT Inc. which is part of the 2,934 telco towers it acquired from the listed telco company last year.

"I think before the end of this year everything should be done," Mr. Sidhu said.

For its tenants, Mr. Sidhu said that he is pleased with the interest he sees from other telco companies such as DITO Telecommunity Corp. and Globe Telecom, Inc.

"We are currently working on the other telcos... I think we are having good discussions going on with it," he said.

To date, the company's sites are located in Metro Manila but it is also looking to expand in Visayas and Mindanao, said EdgePoint Philippines Chief Executive Officer Alexander C. Kiel.

"At the moment, the focused area is Luzon but we are looking at Mindanao and Visayas. That is something that we are actively pursuing," Mr. Kiel said.

For Mindanao and Visayas, Mr. Sidhu said that EdgePoint could either partner with existing tower companies in the two areas or build new sites.

"The most likely opportunity is either a partnership or persuade one of the operators to give us the order to build new sites there," he said.

Over the past six months, EdgePoint was able to increase the number of its towers by over 50% to almost 2,500.

"The first batch of sites that were turned over was around 1,500, which happened in June, now we are close to 2,500. So that's more than 50% [growth] in the past six months," EdgePoint Philippines Chief Financial Officer Vicente Francisco L. Araña said. — **Justine Irish D. Tabile**

## Manila Water earns nearly P6 billion

MANILA Water Co., Inc. recorded a P5.92-billion net income in 2022, 61.3% higher than the P3.67 billion recorded a year earlier, the company announced on Tuesday.

In a regulatory filing, the east zone water concessionaire reported a 7% increase in revenues to P20.64 billion from P19.29 billion. Consolidated revenues went up by 11.2% to P22.80 billion from P20.53 billion.

In a statement, the company said customer demand recovered in 2022 due to eased mobility restrictions and with the resumption of economic activities in its service areas.

Cost of services in 2022 decreased by 23.3% to P2.70 billion from the P3.33 billion recorded a year earlier, while operating expenses increased by 9.5% to P4.28 billion from P3.91 billion.

Manila Water said capital expenditures also increased by 36% to P22.4 billion in 2022.



BW FILE PHOTO

At the company's east zone concession, it recorded a P5.5-billion net income on the back of higher revenues.

"Revenue recovery was mainly supported by the non-residential segment and higher connection fees, as well as cross-border charges," Manila Water said.

Last year, the Metropolitan Waterworks and Sewerage System approved Manila Water's

rate rebasing service improvement plan in the east zone. The company is targeting to spend around P100 billion on water supply and network improvement projects, and service expansion coverage in the next five years.

At the local bourse on Tuesday, shares in the company gained 10 centavos or 0.53% to end at P19 apiece. — **Ashley Erika O. Jose**

## AyalaLand Logistics posts 29% profit increase to P1B

AYALALAND Logistics Holding Corp. (ALLHC) reported a 29% increase in net income to P1.01 billion in 2022 as the economic reopening supported its business growth.

"The country's continued economic recovery in 2022 enabled ALLHC to sustain its growth momentum. Our business lines' resilience led to significant performance improvement," ALLHC President and Chief Executive Officer Jose Emmanuel H. Jalandoni said in a statement on Tuesday.

The company said it recorded P4.2 billion in consolidated revenues last year, without disclosing a comparative figure.

ALLHC said it saw a 44% increase in revenues from warehouse leasing to P648 million, 144% higher cold storage revenues to P120 million and a 28% jump in commercial leasing revenues to P544 million in 2022.

The company said it also registered a 15% revenue increase from industrial lot sales to P2.35 billion.

"We remain positive that our diversified industrial real estate portfolio will allow us to pursue our aspirations of growing our existing product lines and explore new platforms and offerings for our customers," Mr. Jalandoni said.

ALLHC ended 2022 with a total warehouse gross leasing area of 309,000 square meters (sq.m.), a 37.9% growth from 224,000 sq.m. in 2021.

Last year, it acquired a 55-hectare land parcel in Padre Garcia, Batangas for the company's fifth industrial estate.

The logistics company also closed a joint venture deal with FLOW Digital Infrastructure last year that is expected to deliver 36 megawatts (MW) of IT capacity in Biñan, Laguna, with an initial rollout of a 6-MW capacity by end-2024.

Shares in the company rose by 1.36% or four centavos to P2.98 each at the stock exchange. — **Justine Irish D. Tabile**



JONATAS NASCIMENTO/PEXELS

## Alternergy secures P1-B loan for solar power project

ALTERNERGY Holdings Corp. has secured P1-billion funding for its 28-megawatt direct current Solana solar power project in Hermosa, Bataan via a loan from Rizal Commercial Banking Corp. (RCBC).

In a statement, the renewable energy company said it signed another term sheet with RCBC to provide P1-billion financing for its solar power project.

"Alternergy commends RCBC for identifying renewable energy as a priority sector. We thank RCBC for their growing confidence in Alternergy with total funding to our group reaching close to P2 billion to date specially to bankroll our solar power portfolio," Gerry P. Magbanua, president of Alternergy, said in a media release.

The Solana solar farm is owned by Alternergy and its sub-holding company Solar Pacific Energy Corp., the developer, owner, and operator of Alternergy's projects in the country.

"RCBC is deeply committed to upholding social and environmental responsibility in how we do business. Our latest project financing support to Alternergy's Solana Solar Power Project aligns with our sustainable finance strategy which has so far channeled more than Php 70 billion in funding support to various sustainable projects," RCBC Corporate Banking Group Head Elizabeth E. Coronel said.

Mr. Magbanua said that RCBC extended debt financing to the company's portfolio of eight large-scale solar rooftop projects spread across the country and to its solar battery project in Palau.

The Solana solar power project is part of the company's goal to develop up to 1,370 megawatts of renewable energy sources such as onshore and offshore wind, solar, and run-of-river hydropower projects. — **Ashley Erika O. Jose**