

## Philippine Stock Exchange index (PSEi)

6,404.91

▼ 61.19 PTS.

▼ 0.94%

THURSDAY, MARCH 16, 2023

BusinessWorld

## PSEi MEMBER STOCKS

<b>AC</b> Ayala Corp. P624.00 +P13.00 +2.13%	<b>ACEN</b> ACEN Corp. P6.00 -P0.05 -0.83%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P49.90 +P0.55 +1.11%	<b>AGI</b> Alliance Global Group, Inc. P12.48 -P0.38 -2.95%	<b>ALI</b> Ayala Land, Inc. P26.30 -P0.20 -0.75%	<b>AP</b> Aboitiz Power Corp. P36.50 -P1.00 -2.67%	<b>BDO</b> BDO Unibank, Inc. P121.50 -P2.80 -2.25%	<b>BPI</b> Bank of the Philippine Islands P102.90 -P1.40 -1.34%	<b>CNVRG</b> Converge ICT Solutions, Inc. P14.12 -P0.88 -5.87%	<b>DMC</b> DMCI Holdings, Inc. P11.18 ---
<b>EMI</b> Emperador, Inc. P21.10 +P0.05 +0.24%	<b>GLO</b> Globe Telecom, Inc. P1,730.00 -P28.00 -1.59%	<b>GTCAP</b> GT Capital Holdings, Inc. P491.20 -P20.80 -4.06%	<b>ICT</b> International Container Terminal Services, Inc. P198.00 +P0.30 +0.15%	<b>JFC</b> Jollibee Foods Corp. P215.00 -P9.00 -4.02%	<b>JGS</b> JG Summit Holdings, Inc. P49.00 -P2.00 -3.92%	<b>LTG</b> LT Group, Inc. P10.00 -P0.12 -1.19%	<b>MBT</b> Metropolitan Bank & Trust Co. P56.00 -P1.00 -1.75%	<b>MER</b> Manila Electric Co. P312.00 -P3.20 -1.02%	<b>MONDE</b> Monde Nissin Corp. P11.30 ---
<b>MPI</b> Metro Pacific Investments Corp. P3.75 -P0.09 -2.34%	<b>PGOLD</b> Puregold Price Club, Inc. P29.80 -P1.15 -3.72%	<b>SCC</b> Semirara Mining and Power Corp. P29.90 -P0.10 -0.33%	<b>SM</b> SM Investments Corp. P874.00 ---	<b>SMC</b> San Miguel Corp. P111.00 ---	<b>SMPH</b> SM Prime Holdings, Inc. P34.00 -P0.05 -0.15%	<b>TEL</b> PLDT Inc. P1,300.00 -P10.00 -0.76%	<b>UBP</b> Union Bank of the Philippines P85.00 -P3.90 -4.39%	<b>URC</b> Universal Robina Corp. P140.80 -P0.60 -0.42%	<b>WLCON</b> Wilcon Depot, Inc. P27.05 -P0.45 -1.64%

## PLDT to buy Lopez-led Sky Cable for nearly P6.8B

By Justine Irish D. Tabile  
Reporter

PANGILINAN-led PLDT Inc. announced on Thursday that it is fully acquiring Sky Cable Corp. for P6.75 billion in a move that will expand its coverage and services.

In a disclosure to the Philippine Stock Exchange, the telco company said that its board of directors cleared the agreement it entered with sellers Sky Vision Corp., ABS-CBN Corp., and Lopez, Inc.

Lopez-led Sky Cable provides broadband, enterprise cable broadband, pay television, and cable services.

PLDT said the transaction is expected to strengthen both companies' coverage and ser-

vices, especially in remote areas. The deal is also seen to boost customer experience through the combined capabilities of PLDT and Sky Cable.

The sale and purchase agreement covers 100% of Sky Cable's total issued and outstanding capital stock consisting of around 1.38 billion common shares.

The purchase price translates to around P4.9 per share or a total of P6.75 billion, of which 94% is to be paid on the deal's closing date, with the remaining 6% upon the delivery of a tax clearance issued by the Bureau of Internal Revenue.

The purchase price is based on the agreed equity valuation of Sky Cable's shares as of Dec. 31, 2022.

PLDT said the acquisition will result in the full consolidation of Sky Cable in the telco giant's financial statements.

"The financial condition of PLDT, including its leverage, is not expected to be significantly affected by the proposed acquisition," the company said.

In a separate disclosure, ABS-CBN said its board approved the sale of its interests representing 58.7% of Sky Cable's stock, directly or indirectly. It expects to receive P4 billion in gross proceeds.

"The proceeds to be received by Sky Vision will be used, among others, to settle its obligations, including its obligations to ABS-CBN," the company said, adding that the sale "will also allow ABS-CBN to focus its resources on content creation."

"This was a strategic decision resulting from, among other things, the significant capital expenditure requirements of Sky Cable to maintain its competitiveness," the company said.

Market analysts said the acquisition will allow PLDT to assert dominance in the telecommunications sector.

"PLDT's acquisition of Sky Cable's broadband business will allow the telco to interconnect its network with that of Sky Fiber's nationwide, in its bid to further assert its dominance in the sector," Globalinks Securities and Stocks, Inc. Head of Sales Trading Toby Allan C. Arce said in a Viber message.

"This would provide much-needed funding to the troubled and cash-strapped network," he added.

AP Securities Inc. Equity Research Analyst Carlos Angelo O. Temporal said that the transaction will expand PLDT's coverage.

"The acquisition will expand PLDT's broadband subscriber base as the transaction will al-

low the telco giant to absorb Sky Cable's fiber broadband subscribers, akin to what happened to Sun Cellular subscribers," Mr. Temporal said.

He added that there could be a potential synergy to be developed through Sky Cable's cable or satellite platform, as PLDT has a stake in Cignal Cable Group.

"Beyond these, the acquisition could lead to a strong partnership between ABS-CBN and PLDT which could benefit the former's entertainment and media business through the latter's financial muscle and vast network," he said.

Meanwhile, the Philippine Competition Commission (PCC) said it could not comment at this stage of the transaction as the final valuation of the acquisition will determine if it is subject to notification.

Beginning March 1, acquisitions that breach a "size of party" of P7 billion and a "size of transaction" of P2.9 billion require transacting parties to notify the PCC for a mandatory merger review.

The "size of party" refers to the value of assets or revenues of the parent entity of either transacting entity, while the "size of transaction" refers to the value of assets or revenues of the acquired party and the entities it controls.

PLDT shares closed lower by P10 or 0.76% at P1,300 apiece on Thursday. ABS-CBN shares declined by five centavos or 0.68% to finish at P7.26 each.

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.

## ACEN to acquire portfolio of eight operating wind projects in Texas

AYALA-led ACEN Corp. through its joint-venture company, UPC Power Solutions LLC, is set to acquire the portfolio of eight operating wind projects in northern Texas, the renewable energy company said on Thursday.

"We've long set our sights on the US as our next market following our sustained success in the Asia Pacific. We are committed to enact the accelerated green energy transition globally, and these new partnerships ensure that ACEN is well-placed to harness the vast opportunities in the US renewables space," Patrice R.

Claude, chief executive officer of ACEN International, said in a statement.

In a regulatory filing, ACEN said that UPC Power signed a purchase and sale agreement with GlidePath Power Solutions LLC for the acquisition of 136 megawatts (MW) of wind assets.

"The latest milestone marks ACEN's anticipated entry to the fast-growing US renewables market as it expands its geographic footprint beyond the Asia Pacific region," ACEN said.

ACEN said that the sale is pending regulatory approvals including the Fed-

eral Energy Regulatory Commission (FERC), which serves as an independent agency and regulator of interstate transmission of electricity, natural gas, and oil.

The renewable energy company said that the wind operating assets will generate about 360 gigawatt-hours (GWh) of wind energy per year, which can power around 24,000 households.

Last year, ACEN, through its subsidiary ACEN USA LLC partnered with Pivot Power Management (PivotGen) and UPC Solar & Wind Investments

LLC to explore opportunities to acquire operating wind projects in the US.

"We are excited to announce this acquisition. We look forward to successfully repowering the portfolio so that these projects can continue to deliver clean, renewable power and provide jobs and economic opportunity in local communities," Tim Rosenzweig, chief executive officer and co-founder of PivotGen, said.

At the local bourse on Thursday, shares in the company declined by five centavos or 0.83% to end at P6 apiece. — **Ashley Erika O. Jose**

## Alaska Milk ties up with Internews to fight disinformation

LOCAL milk product manufacturer Alaska Milk Corp. (AMC) has committed to direct its digital advertising expenditure to local news websites across the Philippines under a partnership with non-profit group Internews in a bid to counter disinformation.

The manufacturer said in a statement late Wednesday that the partnership is part of its efforts to invest "more sustainably" and to reduce spending in websites that "spread disinformation and hate speech."

"AMC, with its mission of providing affordable quality nutrition and contributing to nation-building, has committed to direct digital advertising spend to trusted, local news websites across the Philippines," the company said.

The manufacturer partnered with Internews' Ads for News global program, which is done in collaboration with the World Economic Forum and GroupM. The program aims to provide ad support for trusted local news media organizations and to curb funds from inadvertently going to websites that publish "fake news."

"To complement our mission which guides how we operate in the last 50 years, AMC is proud to be contributing to a healthy information environment through this partnership with Internews. This is our pledge to help all sectors not just in the food manufacturing but also in other sectors such as health, environment, livelihood, and food security," AMC Managing Director Tarang Gupta said.

"AMC understands that nation-building is anchored on truth-telling and a work-in-progress. The prospects and effects of progressive nation building are enhanced considerably if members of the private sector, civil society and government find innovative ways to work harmoniously through partnerships such as this," he added.

Locally, Ads for News has partnered with the Asian Center for Journalism to examine local news websites using quality journalism standards and the Global Alliance for Responsible Media brand safety and sustainability standards. The Makati Business Club is also a country partner in advocacy for the private sector.

"Trusted local news provides advertisers with greater reach into diverse consumer segments, and ad environments in which brands and their products are associated with quality content," Ads for News Director Chris Hajecki said.

Internews supports independent media across 100 countries. The group trains journalists and digital rights practitioners, fights disinformation, and provides business expertise to help media outlets thrive financially. — **Revin Mikhael D. Ochove**

## San Miguel reports P43-B core income

SAN MIGUEL Corp. (SMC) said on Thursday that it booked a consolidated core net income of P43.2 billion and a reported net income of P26.8 billion in 2022, without disclosing comparative figures.

In a press release, it said the income figures reflected "the impact of unrealized losses on the revaluation of its foreign currency-denominated long-term debt."

Ramon S. Ang, SMC president and chief executive officer, said: "Our strong top line performance is a clear indication of our economy's continuous recovery as well as the strong consumer demand for our products and services."

Consolidated revenues last year reached P1.5 trillion, a 60% growth from the P941 billion reported in 2021. Income from operations increased by 10% to P134.5 billion due to the performance of its subsidiaries, as well as cost management efforts.

The company's earnings before interest, taxation, depreciation, and amortization (EBITDA) grew by 3% to P165 billion.

San Miguel Food and Beverage, Inc. posted a 16% growth in revenues to P358.9 billion due to higher selling prices of products and sustained volume growth.

The unit's net income rose by 10% to P34.7 billion and its operating income increased by 11% to P48.7 billion.

The company's beer unit, San Miguel Brewery, Inc., reported a 17% increase in revenues to P136.2

billion, due to volume growth while its net income rose by 6% to P21.8 billion.

Additionally, Ginebra San Miguel, Inc. registered 11% higher revenues at P47.3 billion. Its net income hit P4.5 billion, 9% higher than the previous year.

San Miguel Foods reported a 16% growth in revenues to P175.3 billion and a 21% increase in net income to P9.2 billion.

Power subsidiary San Miguel Global Power Holdings Corp. posted a 66% surge in consolidated revenues to P221.4 billion from P133.7 billion previously. Its operating income declined by 22% to P28.9 billion, while net income plunged by 80% to P3.1 billion.

It said that by the end of 2022, coal prices reached \$404.07 per metric ton (MT), coming from \$170.23 per MT at end-2021.

Additionally, Petron Corp. posted a 96% surge in revenues to P857.6 billion from P431.1 reported the previous year, due to higher oil prices. Net income for Petron grew 9% to P6.7 billion from P6.1 billion while operating income rose by 12% to P19.2 billion from P17.2 billion.

"We remain strongly committed to executing on the long-term growth strategy we've laid out for our company, that will also significantly benefit our country," Mr. Ang said.

On Thursday, SMC shares were unchanged at P111 apiece. — **Adrian H. Halili**



PHILSTAR

## Aboitiz group sets capex at P78B

ABOITIZ Equity Ventures, Inc. (AEV) said on Thursday that the group and its subsidiaries had set a P78-billion capital spending budget for 2023 to drive investments and innovation.

"By embracing a bold vision of sustainable progress, we are not only transforming our business but also making a positive impact on our country," said AEV President and Chief Executive Officer Sabin M. Aboitiz in a press release.

This year's capital expenditure (capex), which is 10% higher than the previous year's P70 billion, comes as the group is focusing on investing in renewable energy and new businesses.

Of this year's budget, 42% or P32 billion is allocated for Aboitiz InfraCapital, Inc., the infrastructure arm of the Aboitiz group. The funds will be used for the continued expansion of its economic estates, telecommunication towers, and new investments in digital infrastructure.

"The capital will also be utilized for the completion and maintenance of Apo Agua, the Infrastructure unit's bulk water project in Davao City," AEV said.

Its power unit Aboitiz Power Corp. will develop and construct projects in renewable en-

ergy, which includes solar, geothermal, hydro, and wind projects. The capex for its power unit was not stated.

"To help fuel growth and realize its aspiration of having a 50:50 balance between its renewable and thermal portfolios by 2030," it said.

The company's banking business, through Union Bank of the Philippines, will have a capex investment of P5 billion for the migration of Citi's consumer banking business, which it had acquired.

Its food and agribusiness have allocated P5 billion for capex to expand its international feed mills in Vietnam and China.

Real estate subsidiary Aboitiz Land, Inc. is setting aside about P3 billion for the construction and completion of residential projects. The company subsidiary is set to launch a new residential project in Cebu and Batangas this year.

"Our investments in renewable energy and innovation are paving the way towards a brighter future, and we are excited to be leading the charge towards a more sustainable tomorrow," Mr. Aboitiz said.

AEV shares rose 1.11% or 55 centavos to close at P49.90 apiece. — **Adrian H. Halili**