

Philippine Stock Exchange index (PSEi)

6,464.72 ▼40.90 PTS. ▼0.62%

TUESDAY, APRIL 18, 2023

BusinessWorld

PSEi MEMBER STOCKS

AC Ayala Corp. P631.00 -P24.00 -3.66%	ACEN ACEN Corp. P6.11 -P0.10 -1.61%	AEV Aboitiz Equity Ventures, Inc. P51.80 -P0.75 -1.43%	AGI Alliance Global Group, Inc. P12.14 -P0.04 -0.33%	ALI Ayala Land, Inc. P26.40 -P0.30 -1.12%	AP Aboitiz Power Corp. P37.45 ---	BDO BDO Unibank, Inc. P127.90 -P0.40 -0.31%	BPI Bank of the Philippine Islands P100.00 -P1.00 -0.99%	CNVRG Converge ICT Solutions, Inc. P12.64 +P0.16 +1.28%	DMC DMCI Holdings, Inc. P10.72 -P0.06 -0.56%
EMI Emperador, Inc. P20.85 -P0.10 -0.48%	GLO Globe Telecom, Inc. P1,800.00 ---	GTCAP GT Capital Holdings, Inc. P490.20 -P9.80 -1.96%	ICT International Container Terminal Services, Inc. P210.00 -P0.20 -0.1%	JFC Jollibee Foods Corp. P217.00 -P2.60 -1.18%	JGS JG Summit Holdings, Inc. P49.10 +P0.25 +0.51%	LTG LT Group, Inc. P09.92 -P0.12 -1.2%	MBT Metropolitan Bank & Trust Co. P58.40 +P1.10 +1.92%	MER Manila Electric Co. P320.00 +P1.00 +0.31%	MONDE Monde Nissin Corp. P9.34 -P0.01 -0.11%
MPI Metro Pacific Investments Corp. P3.82 -P0.01 -0.26%	PGOLD Puregold Price Club, Inc. P32.40 -P0.10 -0.31%	SCC Semirara Mining and Power Corp. P28.20 -P0.30 -1.05%	SM SM Investments Corp. P900.00 ---	SMC San Miguel Corp. P106.70 -P1.20 -1.11%	SMPH SM Prime Holdings, Inc. P33.40 -P0.60 -1.76%	TEL PLDT Inc. P1,280.00 -P4.00 -0.31%	UBP Union Bank of the Philippines P84.35 -P0.45 -0.53%	URC Universal Robina Corp. P142.00 -P0.30 -0.21%	WLCON Wilcon Depot, Inc. P30.30 +P0.80 +2.71%

Co-led firms report double-digit income growth

COMPANIES led by Lucio L. Co booked higher earnings in 2022, with his retail holding firm Cosco Capital, Inc. posting a 17.1% growth in consolidated net income to P12.3 billion driven by better margins. In a disclosure to the stock market on Tuesday, Cosco Capital reported revenues of P197.1 billion, 13% higher than the P174.4 billion seen in the previous year. "The company continued to benefit from the economic recovery amidst the prevailing macroeconomic challenges by way of higher revenue growth across all its business segments which indicates the recovering consumer demand," it said in a statement. Mr. Co's retail business segment composed of Puregold Price Club, Inc. and

S&R Membership Shopping Club contributed 63% to the total core income. Its net income for 2022 grew to P9.3 billion, 13.4% higher than the P8.2 billion seen the prior year, driven by higher sales. The company's revenues increased by 16.1% due to an 11.7% growth in same-store sales. It did not give out specific figures. Consolidated net sales increased by 12.3% to P184.3 billion from P164.1 billion, driven by a 6.6% jump in same-store sales growth and new-store growth. "The company still sees continuous growth in its topline in the coming years due to [the] country's healthy underlying fundamentals, underserved demand and relatively raw retail landscape," the company said.

The group ended 2022 with 452 Puregold stores, 22 S&R membership shopping warehouses, and 48 S&R New York Style quick service restaurants. In a separate filing, the company's imported liquor business contributed 25% to the total income of the group. The Keepers Holdings, Inc. booked a 41.1% increase in net income for 2022 to P2.23 billion, fueled by stronger product sales, the company said on Tuesday. Consolidated revenues reached P13.96 billion, 26.5% higher than the previous year, which it attributed to a 20% growth in the volume of cases sold at more than 5.3 million for the year. "This was driven principally by the continued robust performance of Al-

fonso, the leading imported brandy in the market, which has already surpassed its pre-pandemic levels, premiumizing market and on-premise channel rebound," the company said. In 2022, it completed the acquisition of a 50% equity interest in Bodegas Williams & Humbert SA, the producers of Alfonso. Cosco Capital's commercial real estate segment, Ellimac Prime Holdings, Inc. reported a 7.7% lower net income of P845 million from P915 million in the previous year, due to higher utility and power costs. Its rental revenues grew by 7% to P1.81 billion, which it attributed to the improvement of business operations due to increased economic activity and easing mobility restrictions.

The real estate segment contributed 11% to the group's net income for the year. Specialty retailing segment Office Warehouse, Inc. accounted for 1% of the total net income. Its profits for the year went up to P69 million, 38% higher than the P50 million recorded a year prior. Office Warehouse's revenues increased by 15% to P1.79 billion due to continuing business operations. At the stock market on Tuesday, Cosco Capital shares jumped by 3.95% or 17 centavos to P4.47 apiece. Puregold shares fell by 0.31% or 10 centavos to P32.40 per share. The Keepers Holdings' stock went down by 1.88% or 3 centavos to P1.57 apiece. — **Adrian H. Halili**

PetroEnergy income surges to P549M on oil revenues

YUCHENGO-led PetroEnergy Resources Corp. registered a net income attributable to equity holders of P549 million in 2022, up by 68.9% from the P325 million a year ago, driven by higher oil revenues. In a regulatory filing on Tuesday, PetroEnergy said its oil revenues last year increased by 57.5% to P726 million from P461 million in 2021 due to

elevated global crude prices during the period. The listed energy company said the average price of crude oil went up to \$106.27 per barrel (bbl) during the period compared to \$69.90 per bbl previously. In 2022, electricity sales declined by 11% likely due to the one-month preventive maintenance shutdown of the

20-megawatt (MW) Maibarara-1 and 12-MW Maibarara-2 power plants in February of last year. However, PetroEnergy said that the decline in electricity sales was offset by the operations of petroleum operations in Gabon. PetroEnergy recorded a consolidated net income of P863 million in 2022, higher by 29.8% than the P665 million

posted a year ago due to the "hefty returns" of the company's upstream oil assets. It has a participating interest in various upstream oil assets in the Philippines and Gabon in West Africa. At the local bourse on Tuesday, shares in the company gained nine centavos or 1.92% to end at P4.78 apiece. — **Ashley Erika O. Jose**

Holcim relaunches cement product

HOLCIM Philippines, Inc. has relaunched its top cement product as part of its sustainability efforts and product expansion in the country.

In a statement on Tuesday, Holcim said it rebranded its flagship blended cement to Excel ECOPlanet, which is more eco-friendly since it helps reduce the carbon footprint of construction projects.

"Through the company's continuous improvement initiatives, the product's carbon footprint is now at least 30% lower than ordinary portland cement qualifying it to bear the ECOPlanet mark, which is reserved for the Holcim Group's line of high-performance and eco-friendly cement," the company said.

"Excel ECOPlanet will continue to provide excellent performance for general construction applications, with concrete made durable due to its high resistance to sulfate and low porosity. Using Excel ECOPlanet will also improve workability and minimize shrinkage and cracks in concrete," it added.

The Excel brand was launched over 20 years ago and is used for general construction.

"Introduced by the Holcim Group in 2021, ECOPlanet is the world's broadest range of green cement with at least 30% lower emissions to help builders all over the world reduce the carbon footprint of construction," the company said.

Meanwhile, Holcim Philippines President and Chief Executive Officer Horia Adrian said that Excel ECOPlanet is "an important milestone in our sustainability journey in the Philippines."

"It combines the strong legacy of Excel in the country and the Group's direction of accelerating innovation to decarbonize building. We are proud that Excel is classified as an ECOPlanet product and excited to see our customers continue using this in building progress in the country," Mr. Adrian said.

Holcim Philippines, a member of the Holcim Group, has cement manufacturing facilities in La Union, Bulacan, Batangas, Misamis Oriental, and Davao. It also has aggregates and dry mix business and technical support facilities for building solutions.

On Tuesday, shares of Holcim Philippines at the local bourse rose one centavo or 0.26% to P3.87 per share. — **Revin Mikhael D. Ochave**



Tax court upholds denial of Carmen Copper's refund claim

THE Court of Tax Appeals has affirmed its ruling that denied Carmen Copper Corp.'s refund claim worth P32.16 million allegedly representing its excess value-added tax (VAT) traced to zero-rated sales for the third quarter of 2014.

In a decision dated April 5 and made public on April 17, the CTA full court said the firm failed to prove that its direct-export sales to its foreign clients were paid for in acceptable foreign currency approved by the Bangko Sentral ng Pilipinas.

"We clarified that for a VAT-registered taxpayer claiming VAT zero-rated direct export sales like petitioner, it must present a bank credit advice, certificate of bank remittance, or any other document proving payment of goods in acceptable foreign currency or its equivalent in goods and services," Associate Justice Lane S. Cui-David said in the ruling. The tribunal partially granted Carmen Copper's petition to review the refund

claim last year, agreeing to consider the plea again.

The firm argued that the court should have granted its refund claim since it earlier agreed that the right to due process was violated when the commissioner of internal revenue (CIR) denied the dispute without explaining why.

The tax court disagreed, saying Carmen Copper still had to prove its entitlement to the refund despite the due process violation.

"The court in its decision believes that in spite of the due process violation, the court must still be allowed to proceed with the factual determination of the entitlement of the taxpayer's claim in a full blown trial," it said.

"It must be stressed that an applicant for tax refund or credit must not only prove entitlement to the claim but also comply with all the documentary and evidentiary requirements such as VAT invoicing requirements provided by tax laws and regulations." — **John Victor D. Ordoñez**

GMA reports 28% profit slide, shares slump by 10%

GMA Network, Inc.'s attributable net income declined by 27.7% to P5.44 billion in 2022 from P7.53 billion in the previous year amid lower revenues and high expenses.

Last year, GMA's top line dipped by 3.9% to P21.56 billion from P22.45 billion in 2021.

Of its revenues, P19.37 billion came from advertising, P774.87 million from subscriptions, P624.34 million from digital, and P327 million from the sale of goods. Revenues from production reached P122.69 million.

Production costs reached P7.28 billion in 2022, up by 24.9% from P6 billion in the previous year. Cost of sales was lower by 27.7% to P302.14 million from P418.14 million in 2021.

The network's gross profit in 2022 totaled P13.78 billion, which showed a 14% decline

from the P16.04 billion booked in 2021.

Expenses for the company's general and administrative needs were a bit higher at P6.64 billion in 2022, up 8% versus P6.14 billion in the previous year.

GMA, despite booking a P9 million loss due to a joint venture in 2022, recorded a P181.31-million other income, which is more than three times the P52.49 million it booked in 2021, due to a P39.93 million gain from foreign exchange.

GMA is primarily involved in the business of radio and television broadcasting. Its subsidiaries include Alta Productions Group, Inc., GMA Network Films, Inc., GMA New Media, Inc., and Citynet Network Marketing and Productions, Inc.

On Tuesday, shares in GMA slipped by P1.24 or 10.39% to P10.70 each. — **Justine Irish D. Tabile**

Megawide opposes ACI's counterclaim, plans arbitration filing

MEGAWIDE Construction Corp. plans to file before an arbitration panel its objection to what it called "permissive" counterclaim from ACI, Inc. amounting to almost P1.53 billion.

"Megawide intends to file, within the allowed period, an opposition or objection to ACI's permissive counterclaims for due consideration of the CIAC (Construction Industry Arbitration Commission) Arbitration panel," the company said in a disclosure on Tuesday.

On Jan. 10, Megawide filed a complaint against ACI before the CIAC involving a contract for the design and

construction of the Araneta Cyberpark Tower 2.

Megawide's aggregate claim against ACI amounted to P339.65 million, to which the ACI filed a counterclaim amounting to P1.53 billion.

The counterclaim was founded on alleged violations of a construction contract worth P4.25 billion for the construction of Gateway Mall and Ibis Hotel in Quezon City. ACI is formerly Araneta Center, Inc.

In an unrelated ruling, the Supreme Court said a permissive counterclaim "does not arise out of or is not necessarily connected with the subject matter of the opposing party's claim."

It added that a permissive counterclaim is an independent claim that may be filed separately in another case.

PREFERRED SHARES LISTING

Meanwhile, Megawide announced that it had successfully listed its Series 5 preferred shares worth P1.5 billion, which were fully subscribed.

"The warm reception for our latest fund raising also reflects the investment community's continued confidence in Megawide's prospects," Megawide President and Chief Executive Officer Edgar B. Saavedra said in a press release.

The shares, which carried an initial dividend rate of 7.9% per annum, were

offered to the public from March 28 to April 4.

Proceeds from the offer will be used to refinance the maturing P2.6 billion Series 2A preferred shares of the company in May, while the balance will be internally funded.

"The Series 5 preferred share issuance is part of Megawide's comprehensive long-term financial management program, which aims to strengthen the balance sheet and develop a more efficient capital structure," the company said.

On Tuesday, shares in Megawide climbed by a centavo or 0.34% to P2.99 apiece. — **Justine Irish D. Tabile**