Philippine Stock Exchange index (PSEi) 6,523.15 ▼55.00 PTS. ▼0.83%

MONDAY, MAY 15, 2023
BusinessWorld

PSEi MEMBER STOCKS

AC	Ayala Corp.	P656.00	-P17.50	-2.6%
ACEN	ACEN Corp.	P6.00	——	
AEV	Aboitiz Equity Ventures, Inc.	P55.00	-P0.40	-0.72%
AGI	Alliance Global Group, Inc.	P13.80	+P0.40	+2.99%
ALI	Ayala Land, Inc.	P26.20	-P0.30	-1.13%
AP	Aboitiz Power Corp.	P37.60	+P0.05	+0.13%
BDO	BDO Unibank, Inc.	P135.80	+P0.30	+0.22%
BPI	Bank of the Philippine Islands	P102.70	-P1.50	-1.44%
CNVRG	Converge ICT Solutions, Inc.	P11.70	+P0.22	+1.92%
DMC	DMCI Holdings, Inc.	P9.80	+P0.20	+2.08%
EMI	Emperador, Inc.	P20.80	-P0.05	-0.24%
GLO	Globe Telecom, Inc.	P1,701.00	-P9.00	-0.53%
GTCAP	GT Capital Holdings, Inc.	P475.00	+P5.00	+1.06%
ICT	International Container Terminal Services, Inc.	P200.00	-P3.00	-1.48%
JFC	Jollibee Foods Corp.	P222.60	——	
JGS	JG Summit Holdings, Inc.	P48.60	-P1.40	-2.8%
LTG	LT Group, Inc.	P9.99	-P0.33	-3.2%
MBT	Metropolitan Bank & Trust Co.	P58.80	-P0.30	-0.51%
MER	Manila Electric Co.	P323.40	-P4.60	-1.4%
MONDE	Monde Nissin Corp.	P8.44	-P0.11	-1.29%
MPI	Metro Pacific Investments Corp.	P4.45	——	
PGOLD	Puregold Price Club, Inc.	P32.50	-P0.55	-1.66%
SCC	Semirara Mining and Power Corp.	P28.10	+P0.15	+0.54%
SM	SM Investments Corp.	P924.50	-P2.50	-0.27%
SMC	San Miguel Corp.	P105.00	+P2.00	+1.94%
SMPH	SM Prime Holdings, Inc.	P33.00	-P0.60	-1.79%
TEL	PLDT Inc.	P1,207.00	-P28.00	-2.27%
UBP	Union Bank of the Philippines	P80.50	+P0.50	+0.63%
URC	Universal Robina Corp.	P151.50	-P2.00	-1.3%
WLCON	Wilcon Depot, Inc.	P27.15	+P0.55	+2.07%

San Miguel income up 27% as business units deliver

SAN MIGUEL CORP. reported a net income of P17.7 billion in the first quarter, up 27% from P13.9 billion in the same period last year, due to broad-based growth in its business segments.

"Our strong first-quarter results reflect our commitment to execute well on our strategic priorities as we navigated through a very challenging environment. With raw material prices expected to stabilize, we are confident we can deliver an even better performance in the coming months," Ramon S. Ang, San Miguel president and chief executive officer said in a statement on Monday.

Its top line for the three months hit P346.7 billion, up 9% from the same period last year.

Food and beverage segment, San Miguel Food and Beverage, Inc., booked a 9% increase in net income to P9.9 billion after its consolidated revenues grew by 12% to P93.2 billion due to growth in beer volumes, combined with higher selling prices across the beer, spirits, and food divisions.

San Miguel Brewery, Inc. recorded a 38% jump in net income to P6.8 billion with its consolidated revenues rising by 29% to P38.3 billion from P29.7 billion driven by an increase in volumes and price adjustments.

Its spirits segment Ginebra San Miguel, Inc. saw an 81% surge in net income for the period to P2.5 billion "on account of the one-time income cashflow generated in March with the transfer of Don Papa's product rights."

San Miguel Foods reported a net income of P740 million, with no comparative figure given, while its consolidated revenues inched up 3% to P41.9 billion on the back of higher selling prices of products.

The company's power unit San Miguel Global Power Holdings Corp. more than doubled its net income to P5.3 billion due to net foreign exchange gains. Its takeoff volumes fell by 33% to 4,657 gigawatt-hours due to the absence of natural gas supply for the Ilijan power plant.

Petron Corp. booked a 6% decline in net income to P3.4 billion in the first quarter, despite an increase in revenues. Its consolidated revenues rose by 10% to P188.8 billion, driven by growth in fuel demand in both Philippine and Malaysian operations capturing 28.6 million barrels.

Consolidated commercial sales grew by 13%, with retail sales for the Philippines and Malaysia rising by 12%, and polypropylene sales surging by 68% during the first quarter.

Meanwhile, SMC Infrastructures saw its top line expand by 31% to P8.2 billion. Its operating income grew by 82% to P4.5 billion.

"[It] sustained its growth momentum, with combined average daily traffic volumes for the [first] quarter increasing by 23%... driven by the resumption of on-site work, in-person classes, and tourism-related travel," the company said.

The cement business, under San Miguel Equity Investments, Inc., saw its operating income for the period soar to P1.3 billion from P293 million in the previous year. Its consolidated revenues also surged to P10.3 billion from P3.2 billion. This was driven by the acquisition of Eagle Cement Corp. in December 2022.

On Monday, San Miguel shares rose 1.94% or P2 to P105 apiece. — **Adrian H. Halili**

Alliance Global's businesses drive 20% profit growth

ALLIANCE Global Group, Inc. (AGI) on Monday reported a 20% rise in first-quarter attributable net income to P4.7 billion on the back of higher revenues from its major businesses.

"All our major business segments registering impressive growth in the first quarter of the year despite nagging concerns on inflation and ongoing global headwinds," Kevin Andrew L. Tan, Alliance Global president and chief executive officer, said in a statement.

"Our businesses continued to take advantage of the resilient consumer demand and economic activity which provided the boost to our lifestyle malls, hotels, integrated resort operations, quick service restaurants, real estate sales and office rentals," he added.

Andrew L. Tan's holdings firm posted a 34% increase in consolidated revenues for the three-month period to P50.3 billion from P37.5 billion in the same period last year.

Megaworld Corp., the group's real estate development arm, reported a 33% increase in attributable net income for the first quarter to P4.1 billion. Its consolidated revenues rose by 24% to P16.2 billion.

Real estate sales went up by 17% for the quarter to P9.4 billion on the back of higher project completion rates, while reservation sales rose 71% to P39.6 billion.

Rental revenues went up by 18% to P4.4 billion due to the contributions of the mall segment, which grew by 73% or P1.2 billion on heightened consumer spending.

Its premier offices inched up by 5% to P3.1 billion due to a 90% rise in occupancy, while hotel revenues rose by 62% to P813 million.

Emperador, Inc. booked a 9.5% higher attributable net income in the first quarter at P2.3 billion due to a "resurgence of demand and improving global spirits sales."

"[Our] international spirits business continued to benefit from the increasing popularity of our premium brands across the globe and the resurgence in travel retail," Mr. Tan added.

The brandy segment grew by 28% in the first quarter due to improving on-trade sales and price increases. The whisky business went up by 24% amid the growing international recognition of its premium single malt brands, particularly in Asia and North America.

"This has also helped lift the group's overall margins to 33% at the gross profit level, from 32% the year before," the company said.

Meanwhile, Golden Arches Development Corp. saw its attributable net income for the period surge by 62% to P419 million after a 38% rise in consolidated revenues to P9.9 billion.

The McDonald's operator saw its gross profits for the first quarter, increase by 37% "despite pressures brought about by rising cost of inventories."

The company ended the three-month period with 703 stores nationwide.

"As a premium lifestyle conglomerate, we believe that our strength lies in our brands which we continue to improve and develop. Our agility and versatility allowed us to quickly adapt to the ever-changing demands of the market. With this, we maintain our optimistic view of our growth prospects moving forward," Mr. Tan said.

Alliance Global shares surged by 2.99% or P0.40 to P13.80 each on Monday. — **Adrian H. Halili**

Shakey's earnings more than double

SHAKEY'S PIZZA Asia Ventures, Inc. reported a net income of P200.78 million in the first quarter, more than double the P76.23 million recorded a year ago, amid sustained dine-in foot traffic.

"We kicked off the year with good momentum, hopefully setting the pace for the year while navigating through hurdles such as higher input costs and occasional supply chain challenges," said Vicente L. Gregorio, Shakey's president and chief executive officer, in a statement on Monday.

First-quarter revenues surged by 94% to reach P3.14 billion.

System-wide sales hit P4.2 billion for the three-month period, up 88% from a year earlier and surpassing the pre-pandemic figure by 79%, the company said.

It said that even without the impact of Potato Corner, its latest acquisition, the group's system-wide sales grew by 39%, which it attributed to robust same-store sales growth of 29%.

During the quarter, the group counted an increase of 85 outlets, bringing the total to 1,857 outlets.

"Peri-Peri opened a mix of mall and independent stores, as well as continued the conversion of smaller format Peri Jrs. into larger store formats. Peri-Peri ended the quarter with a total of 72 stores. Potato Corner likewise increased its store footprint, concluding the period with a network of 1,506 outlets," the company said.

Mr. Gregorio said: "We are navigating the year still with cautious optimism. While we are happy with our first quarter performance, we recognize that this is partly driven by a relatively lower base from last year."

On Monday, Shakey's shares surged by 2.07% or P0.18 to close at P8.88 each.

DITO net loss shrinks to P337M amid lower expenses, forex gains

DITO CME Holdings Corp.'s attributable net loss narrowed to P336.67 million in the first quarter from P3.67 billion a year earlier after posting lower expenses and foreign exchange gains.

"DITO reported encouraging financial performance for the three-month period ending March 31 on the back of strong top line growth, reduced operating expenses as well as a reversal into a foreign exchange gain," the company said in a disclosure on Monday.

During the period, the company's revenues reached P2.34 billion, a 75.9% increase from the P1.33 billion booked last year.

Service revenues accounted for P2.34 billion, which increased by 75.5% from P1.33 billion, while non-service revenues grew 17 times to P5.54 million from P320,142 last year.

Costs and expenses during the quarter totaled P5.37 billion, up by 13.8% from P4.72 billion a year ago.

In the first quarter, the company recorded P4.23 billion in foreign exchange gain, a reversal of the P2.87 billion loss in 2022.

By 2024, DITO CME President Ernesto R. Alberto said that the company is expecting to increase its population coverage to 84%.

"We remain steadfast to our investment in DITO Telecommunity with its continued growth trajectory and expanding relevance as a digital enabler to the Philippine market," he said.

"We are confident that this will continue as DITO Telecommunity continues to expand its network with commitments to increase population coverage to 80% this year and 84% by 2024," he added.

On Monday, shares in the company closed 0.40% lower at P2.50 each.

CHELSEA REDUCES LOSS

Chelsea Logistics and Infrastructure Holdings Corp. trimmed its net loss to P324.04 million in the first three months of the year from P415.64 million last year.

The company's top line grew by 31.4% to P1.71 billion from P1.3 billion in the previous year.

"Consolidated revenues jumped on increasing demand driven by the easing of strict pandemic restrictions, giving much-needed stimulus to the economy," the company said in its latest quarterly report. — **Justine Irish D. Tabile**

FULL STORY

Read the full story by scanning the QR code or by typing the link **<bit.ly/DITO051623>**

FLI income jumps 9% to P741M

FILINVEST Land, Inc. (FLI) posted a 9% growth in its attributable net income for the first quarter to P741 million as all its business segments recorded growth, the property developer said on Monday.

"Our company achieved growth in all its business segments during the first quarter of the year, despite challenges arising from high interest rates and inflation. We are optimistic that our efforts will lead to even better results as we sustain our sales activities," Filinvest Land President and Chief Executive Officer Tristaneil D. Las Marias said in a statement.

Consolidated revenues for the quarter increased 8.9% to P4.51 billion from P4.14 billion. Residential revenues went up by 4% to P2.79 billion, driven by construction progress and the strong performance of the company's housing projects and medium-rise condo developments. Reservation sales rose by 13% to P5.2 billion.

Filinvest Land's mall business surged by 86% to P558 million in revenues due to an increase in mall occupancy and a rise in shopper traffic, as well as the removal of rental concessions.

Meanwhile, office revenues inched up by 0.65% to P1.16 billion after the newly closed leases for the period.

"The company targets to launch P16 billion worth of residential projects and to complete eight office projects within the year," the developer said.

On Monday, Filinvest Land shares went up by 1.37% or P0.01 to close at P0.74 apiece. — **Adrian H. Halili**

SC affirms granting part of Vestas' refund

THE SUPREME COURT (SC) has upheld a tax court decision that partially granted Vestas Services Philippines, Inc.'s (VSPI) tax refund claim in the amount of P4.4 million representing its excess input value-added tax (VAT) traced to zero-rated sales for the fourth quarter of 2013.

In an 18-page decision made public on May 10, the High Court said the commissioner of internal revenue failed to persuade the court to overturn the petitioner's entitlement to tax.

The company previously sought a VAT refund in the total amount of P41.66 million.

"Based on their appreciation of the evidence presented to them, the CTA (Court of Tax Appeals) unequivocally ruled that VSPI was only able to prove its entitlement to the refund or the issuance of a tax credit certificate for unutilized input VAT for the fourth quarter of 2013," according to the ruling penned by Associate Justice Ramon Paul L. Hernando.

"We would like to stress that the findings of facts of the CTA when supported by substantial evidence, will not be disturbed on appeal."

The tribunal ordered the Office of the Solicitor General, which serves as the legal counsel for the commissioner of internal (CIR), and VSPI to submit a verified declaration of its receipt of the High Court's decision.

The firm is engaged in installation and construction activities, including subcontracting arrangements for wind power systems.

The tax court noted the CIR failed to provide evidence or raise timely objections on VSPI's additionally presented evidence.

"A party who desires the court to reject the admission of any evidence formally offered must do so in the form of a timely objection," it said, adding the firm's judicial claim to the refund was timely submitted within the 120-day and 30-day period mandated under the law.

Under the country's tax code, when the CIR denies or fails to act on a claim for a refund, the taxpayer is given 30 days from the receipt of an adverse decision or ruling to file a petition for review with the CTA.

The commissioner is given 120 days to act on a disputed tax assessment; otherwise, the decision would be final. — **John Victor D. Ordoñez**

Max's profit rises 86% to P77 million

MAX'S GROUP, INC. posted an 85.8% growth in first-quarter attributable net income to P77.06 million, saying it was able to maximize the return of dine-in customers.

"We are committed to emerge from the pandemic stronger with our tested and proven business model," said Robert Ramon F. Trota, the group's chief executive officer, in a statement on Monday.

"Despite the global issue of rising commodity prices, we have consistently executed our strategies to demonstrate a business model that continues to deliver," he added.

First-quarter consolidated revenues hit P2.85 billion, up 31.3% from P2.17 billion last year.

Same-store sales for the casual dining restaurant group grew by 25% locally and 20% globally, which it said indicates an improvement in consumer spending amid relaxed mobility restrictions.

Meanwhile, system-wide sales across company-owned and franchised stores hit P4.4 billion, up 24% from P3.6 billion a year ago, because of improving consumer confidence and mobility, the company said, adding that the latest figure was at 96% of the pre-pandemic 2019 level.

FULL STORY

Read the full story by scanning the QR code or by typing the link **<bit.ly/Maxs051623>**