

Philippine Stock Exchange index (PSEi)

6,335.91

▲ 6.72 PTS.

▲ 0.1%

TUESDAY, AUGUST 15, 2023

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P600.00 +P7.00 +1.18%	ACEN ACEN Corp. P5.15 ---	AEV Aboitiz Equity Ventures, Inc. P46.10 -P0.40 -0.86%	AGI Alliance Global Group, Inc. P12.50 +P0.08 +0.64%	ALI Ayala Land, Inc. P29.65 +P0.60 +2.07%	AP Aboitiz Power Corp. P36.00 +P0.20 +0.56%	BDO BDO Unibank, Inc. P142.00 +P0.20 +0.14%	BPI Bank of the Philippine Islands P114.60 +P0.70 +0.61%	CNVRG Converge ICT Solutions, Inc. P9.15 -P0.02 -0.22%	DMC DMCI Holdings, Inc. P9.36 +P0.04 +0.43%
EMI Emperador, Inc. P21.15 +P0.05 +0.24%	GLO Globe Telecom, Inc. P1,915.00 +P65.00 +3.51%	GTCAP GT Capital Holdings, Inc. P535.00 +P11.00 +2.1%	ICT International Container Terminal Services, Inc. P205.80 +P4.80 +2.39%	JFC Jollibee Foods Corp. P246.20 -P1.40 -0.57%	JGS JG Summit Holdings, Inc. P39.60 +P0.65 +1.67%	LTG LT Group, Inc. P9.30 -P0.04 -0.43%	MBT Metropolitan Bank & Trust Co. P57.20 -P0.10 -0.17%	MER Manila Electric Co. P344.60 +P2.60 +0.76%	MONDE Monde Nissin Corp. P6.85 -P0.44 -6.04%
MPI Metro Pacific Investments Corp. P5.04 -P0.01 -0.2%	PGOLD Puregold Price Club, Inc. P27.50 -P0.10 -0.36%	SCC Semirara Mining and Power Corp. P30.50 -P0.50 -1.61%	SM SM Investments Corp. P860.00 -P7.00 -0.81%	SMC San Miguel Corp. P103.00 +P0.10 +0.1%	SMPH SM Prime Holdings, Inc. P30.10 -P0.05 -0.17%	TEL PLDT Inc. P1,260.00 -P15.00 -1.18%	UBP Union Bank of the Philippines P73.00 ---	URC Universal Robina Corp. P119.00 -P5.80 -4.65%	WLCON Wilcon Depot, Inc. P22.90 +P0.55 +2.46%

Megawide swings to net profit as revenues double

MEGAWIDE CONSTRUCTION Corp. booked a second-quarter attributable net income of P370.28 million, a reversal of the P64.93-million loss incurred a year ago, as revenues for the period doubled.

From April to June, the company's top line reached P6.76 billion, which is nearly twice last year's P3.47 billion.

"Construction is on its way to recovery and we are starting to see it. We have yet to capitalize on the big-ticket infrastructure projects in our portfolio, such as the Metro Manila Subway Project, which has yet to

commence," Megawide President and Chief Executive Officer Edgar B. Saavedra said in a statement.

"Our landport is also recovering in terms of foot traffic, office occupancy, and commercial sales. All in all, we are confident of sustaining the momentum for the remainder of the year," he said.

Megawide's construction operations were still the biggest revenue contributor, accounting for P6.7 billion as it doubled last year's P3.28 billion.

The construction segment cushioned the 15.7% decline in

revenues from landport operations, which amounted to P100.89 million for the April-to-June period from P119.63 million last year.

However, the company said the average daily foot traffic at the Parañaque Integrated Terminal Exchange breached the 100,000 level in June.

It added that it was able to post its highest average passenger spend at P35.4 from the P28.5 seen at the beginning of the year.

The company's direct costs also doubled in the three months ending in June, totaling P5.83

billion from P2.88 billion in the year prior.

In the first half, the company's attributable net income reached P363.16 million, a turnaround from the P125.68-million loss seen in the previous year.

Total revenues hit P11.16 billion in the January-to-June period, reflecting a 52.4% increase from the P7.32 billion seen a year ago.

Year-to-date revenues from construction operations reached P10.97 billion, up by 55.1% from the P7.07 billion booked last year.

Landport operations accounted for P191.05 million of the company's first-half topline, reflecting a 23.7% decline from the P250.4-million revenues registered in 2022.

Direct costs in the first semester amounted to P9.78 billion, an increase of 58.7% from the P6.16 billion seen last year.

As of the end of the second quarter, the company said that its order book of P50 billion remained "very healthy and diverse."

"More than half of the projects are still in the 0-20% completion stage, providing a significant bal-

ance for bookable revenues in the coming periods," it added.

Mr. Saavedra expects Megawide to gradually reap the benefits from its acquisition of affiliate PH1 World Developers, Inc.

"Aside from generating synergies and providing long-term project visibility, PH1 World's healthy pipeline will also strengthen our order book quality by de-risking it from contractual and collection issues," he said.

On Tuesday, shares in the company climbed nine centavos or 2.85% to P3.25 each. — **Justine Irish D. Tabile**

Sia-led MerryMart, DDMP REIT post higher income

LISTED COMPANIES led by Edgar J. Sia II reported mixed second-quarter earnings results on Tuesday, with retailer MerryMart Consumer Corp. recording the biggest profit growth amid higher revenues.

MerryMart's attributable net income for the second quarter of the year climbed by 94.4% to P14.11 million from P7.26 million after a 16.4% rise in revenues to P1.92 billion from P1.65 billion a year ago.

Mr. Sia's real estate investment trust DDMP REIT, Inc. increased its net income by 8.2% to P539.36 million from P495.06 million in the same period last year. Its revenues for the quarter went up by 11.4% to P663.6 million from P595.47 million a year ago.

In a separate disclosure on Tuesday, DoubleDragon Corp. posted an 8.4% drop in attributable net income

to P637.76 million from P696 million previously as costs increased.

The firm's top line for the period rose by 31.2% to P2.23 billion from about P1.7 billion the prior year, mainly from a 57.4% increase in rentals to P1.13 billion.

Its costs and expenses likewise went up by 15.9% to P1.08 billion from P897.19 million a year ago.

Meanwhile, DoubleDragon's attributable net income for the first half fell by 18.4% to P805.37 million from P986.77 million the previous year.

Its top line rose by 15.6% to P3.94 billion from P3.41 billion a year earlier. The growth mainly came from rental income, which went up by 20.4% to P1.95 billion from P1.62 billion, as occupancy and rates were higher.

To date, DoubleDragon has 1.29 million square meters of recurring-revenues gross floor area (GFA) portfolio.

The company said the next phase of its vision is to further grow its portfolio, targeting 3 million square meters of recurring-revenue generating GFA portfolio by 2030.

During the six-month period, MerryMart posted a 6.9% drop in attributable net income to P16.95 million from P18.19 million in the same period last year.

The company's consolidated revenues climbed by 29% to P3.71 billion from P2.87 billion last year, driven by an increase in the sale of goods by new and existing stores. Sales contributed 98.2% of its total revenues.

In a separate filing, MerryMart said that its super app saw "exponential growth" in month-on-month sales since its launch last year. It now has 70,000 registered users.

"MerryMart has set its Vision 2030 with the goal to generate P120 Billion in systemwide recurring consumer sales revenue," the company said.

Meanwhile, DDMP REIT recorded a 5.7% decline in net income for the first semester to P1 billion from P1.06 billion as costs and expenses hit P216.22 million, 21.7% higher than P177.65 million last year.

The company's revenues for the period slipped by 0.8% to P1.22 billion from P1.23 billion, as rental income decreased by 15.2% to P966.74 million from P1.14 billion a year prior.

On Tuesday, DoubleDragon rose 0.77% to P78.99 per share. MerryMart shares fell by 1.83% to P1.07 apiece, while DDMP REIT declined by 1.55% to P1.27 a share. — **Adrian H. Halili**

AboitizPower unit to build 2 solar power plants in Zambales, Negros Occidental

ABOITIZ POWER Corp. (AboitizPower) through its renewable energy arm is set to build two new solar power projects in Negros Occidental and Zambales, further expanding its renewable energy capacity, the listed energy company said on Tuesday.

AboitizPower through Aboitiz Renewables, Inc. (ARI) will build a 173-megawatt (MW) solar power project in Calatrava, Negros Occidental, which is expected to start exporting power by 2024.

"We are looking to begin the construction of our Calatrava Solar and Olongapo Solar projects this year on the way to achieving our growth strategy of providing an additional 3,700 megawatts of renewable energy by the next decade," Emmanuel V. Rubio, president and chief executive officer (CEO) of AboitizPower, said in a media release.

SUMEC Complete Equipment and Engineering Co., Ltd. will begin the construction of the solar power project by September. It is the same company completing AboitizPower's 159-megawatt-peak solar power project in Pangasinan.

Further, ARI is also set to build a 211-MW solar power project in Olongapo, Zambales — its largest solar power project to date.

"We are aligned with the ambitious goal to help the country usher in a just and balanced energy transition. Our customers want clean, affordable and dependable energy, and we want to deliver that," James Arnold D. Villaroman, ARI president and CEO, said.

The project's construction will also begin in September and will be undertaken by the joint venture between Guangdong Electric Power Design Institute Co., Ltd. and parent company China Energy International Group Co., Ltd.

The 211-MW solar power project in Olongapo is targeted for commercial operations by 2025, AboitizPower said, adding that this will bring its solar project to five, including San Carlos Sun Power Inc.'s solar projects in Negros Occidental, Laoag in Ilocos Norte, and Cayanga in Pangasinan.

AboitizPower is aiming to expand its renewable energy portfolio in the next 10 years. It has set an ambition of building an additional 3,700 MW of renewable energy, growing its capacities to 4,600 MW by 2030.

To date, the company has a pipeline of projects with a combined capacity of more than 1,000 MW through the development of wind, solar, and geothermal plants.

At the local bourse on Tuesday, shares in the company closed 0.56% higher to end at P36 apiece. — **Ashley Erika O. Jose**

PAGEONE CEO Wins PR Executive of the Year at the 2023 Stevies International Business Awards

PAGEONE Group's multi-awarded Chairman and Chief Executive Officer edged out other global executives in the fields of public relations, advertising and marketing by winning the coveted PR executive of the Year.

This was announced by the International Business Awards (IBAs) of Stevie Awards which are the world's premier business awards program giving recognition to the notable contributions of different organizations and professionals in different countries. The 2023 IBAs received entries from organizations in 61 nations and territories and were judged by more than 230 professionals worldwide.

Ron Jabal, PAGEONE Group Chairman and CEO also won the prestigious Thought Leader of the Year (Business Services) and Executive of the Year in the Advertising and Marketing Management category. He will receive the awards during a gala banquet at the Cavalieri Waldorf Astoria Hotel, in Rome, Italy on Friday, 13 October.

Mr. Jabal expressed elation and gratitude for this unprecedented global recognition to a Filipino PR professional. "This award is not just for me but also for the collective genius and creativity of the men and women of PAGEONE Group. We are truly very proud of what we have accomplished for close to a decade now in delivering quality and award-winning campaigns for our clients. I also share this award to all Filipino PR practitioners who, despite many odds, remain committed to integrity and excellence," Jabal said.

Prior to this recognition, Jabal was adjudged as one of the Thought Leaders of the Year in Asia Pacific in 2023



and Most Innovative PR Professional in Asia Pacific in 2022. To date, the PAGEONE executive has already received other international recognition for noting his exemplary performance in the public relations industry, from award-giving bodies in London, New York, San Francisco, Washington, Toronto, Beijing, Kuala Lumpur, Hong Kong, and Singapore.

The 2023 IBAs received more than 3,700 nominations from organizations around the world for consideration in a wide range of categories. "Nominations to the IBAs get better every year, and this year's class of Stevie winners is the most impressive yet," said Stevie Awards president Maggie Miller. "The winners have demonstrated that their organizations have set and achieved lofty goals. We congratulate them on their recognized achievements, and look forward to celebrating them on stage in Rome on 13 October," Miller said.

Business units drive FDC's nearly 33% income growth

FILINVEST Development Corp. (FDC) on Tuesday reported 32.6% higher attributable net income for the second quarter to P1.79 billion from P1.35 billion, due to gains from its business segments.

In its financial statement, the company booked a top line of P19.73 billion, 21.5% higher than P16.24 billion in the same period last year.

"We are very encouraged by the continued recovery of our businesses. We look forward to sustaining our growth momentum for the balance of the year. We are working to make the businesses and the entire organization even stronger under the leadership of newly appointed executives," said FDC President and Chief Executive Officer Chiqui A. Huang.

FDC's banking and financial services unit East West Banking Corp. contributed the bulk of revenues for the quarter, increasing by 32.2% to P8.33 billion from P6.3 billion the previous year.

The company's real estate segments Filinvest Land, Inc. and Filinvest Alabang, Inc. saw a combined top line contribution of P3.46 billion, a 6.1% rise from a year ago's P3.25 billion.

FDC's power and utility operation, FDC Utilities, Inc., accounted for P3.93 billion, an increase of 23.6% from P3.18 billion. Hospitality operations led by Filinvest Hospitality Corp. saw a 19.2% increase to P645.22 million.

Sugar operations contributed P1.55 billion to FDC's top line for the period, 15.7% higher than P1.34 billion the prior year.

In the first semester, the company's attributable net income reached P3.9 billion, higher by 77% than P2.2 billion a year earlier and driven by a 29% increase in revenues to P42.5 billion from P33.1 billion.

FDC said that its banking and financial service business more than doubled its net income to P3.18 billion primarily through sustained lending momentum.

Filinvest Land saw a 15% increase in attributable net income to P1.39 billion after its revenues rose by 8% to P9.92 billion as its residential and rental business segments posted growth.

Its residential revenues grew 4% to P6.06 billion on the back of faster construction progress and the strong performance of its housing projects.

Reservation sales likewise rose by 21% to P11 billion. It launched P4.56 billion worth of residential projects in Rizal, Laguna, Davao, Pangasinan, South Cotabato, and Zamboanga.

Its mall business saw a 64% growth to P1.15 billion, while office revenues went up by 1% to P2.29 billion.

The company's power unit went up by 3.9% for the first semester to P1.11 billion from 1.07 billion the prior year. Its revenues rose by 24.5% to P7.32 billion from P1.44 billion due to power rate hikes.

Profit for FDC's hospitality segment surged by 84%, while its revenues increased by 61.4% to P1.37 billion due to improvements in occupancy, room rates, and average food and beverage revenues. — **Adrian H. Halili**