

Philippine Stock Exchange index (PSEi)

6,707.25

▲ 84.24 PTS.

▲ 1.27%

FRIDAY, FEBRUARY 2, 2024

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P672.00 -P6.00 -0.88%	ACEN ACEN Corp. P4.35 +P0.10 +2.35%	AEV Aboitiz Equity Ventures, Inc. P47.50 -P0.45 -0.94%	AGI Alliance Global Group, Inc. P11.54 +P0.20 +1.76%	ALI Ayala Land, Inc. P33.50 -P0.15 -0.45%	BDO BDO Unibank, Inc. P148.50 +P4.50 +3.13%	BLOOM Blossom Resorts Corp. P11.34 +P0.40 +3.66%	BPI Bank of the Philippine Islands P116.10 +P3.60 +3.2%	CNPF Century Pacific Food, Inc. P34.10 ---	CNVRG Converge ICT Solutions, Inc. P9.48 +P0.28 +3.04%
DMC DMCI Holdings, Inc. P10.80 +P0.06 +0.56%	EMI Emperador, Inc. P20.50 +P0.05 +0.24%	GLO Globe Telecom, Inc. P1,728.00 -P5.00 -0.29%	GTCAP GT Capital Holdings, Inc. P657.50 -P2.50 -0.38%	ICT International Container Terminal Services, Inc. P248.00 +P5.00 +2.06%	JFC Jollibee Foods Corp. P259.80 +P5.80 +2.28%	JGS JG Summit Holdings, Inc. P39.50 +P0.50 +1.28%	LTG LT Group, Inc. P9.50 +P0.05 +0.53%	MBT Metropolitan Bank & Trust Co. P57.05 +P0.15 +0.26%	MER Manila Electric Co. P363.00 +P6.00 +1.68%
MONDE Monde Nissin Corp. P9.42 +P0.64 +7.29%	NIKL Nickel Asia Corp. P4.77 +P0.07 +1.49%	PGOLD Puregold Price Club, Inc. P27.40 -P0.25 -0.9%	SCC Semirara Mining and Power Corp. P31.20 +P0.20 +0.65%	SM SM Investments Corp. P914.00 +P21.00 +2.35%	SMC San Miguel Corp. P108.00 ---	SMPH SM Prime Holdings, Inc. P33.60 -P0.45 -1.32%	TEL PLDT Inc. P1,286.00 +P31.00 +2.47%	URC Universal Robina Corp. P110.90 +P0.70 +0.64%	WLCON Wilcon Depot, Inc. P21.55 -P0.05 -0.23%

Energy firms seen to sustain earnings in first half

By **Sheldeen Joy Talavera**
Reporter

EARNINGS of listed energy companies in the Philippines are expected to be sustained during the first half of the year, driven by improving power supply conditions and capacity expansions, according to analysts.

“We expect energy sales volumes to post stable growth on the back of a growing economy. However, we do expect top-line growth to moderate year-on-year as power prices generally continue to ease given improving power supply conditions,” China Bank Securities Corp. Research Associate Andrei Soriano said in an e-mail.

Mr. Soriano said earnings growth in the industry will still be driven by the companies’ continued capacity expansion and margin improvements.

“PH energy companies are poised for growth in 2023 and 1H24, driven by increased demand, RE (renewable energy) initiatives, and infrastructure development,” Regina Capital Development Corp. Head of Sales Luis A. Limlingan said in a Viber message.

The government targets to increase the share of RE in the country’s energy mix to 35% by 2030 and 50% by 2040.

For the third quarter, listed energy companies in the country posted mixed results. Those companies that delivered higher income cited increased demand,

higher electricity sales, and strong revenues.

Manila Electric Co. reported an attributable net income of P10.55 billion, up 58% from the P6.64 billion posted a year ago on the back of higher sales of electricity and other services.

For the nine months to September, the power distributor’s attributable net income reached P28.4 billion, higher by 44% from P19.76 billion.

New operating capacity drove the attributable net income of ACEN Corp., which increased by 20.5% to P2.33 billion from P1.94 billion in the previous year.

ACEN’s income attributable to the parent company for the first nine months climbed by 59% to P6.56 billion from P4.12 billion previously.

First Gen Corp. saw its attributable net income rise by 23% to \$80.35 million from \$65.31 million on the back of better earnings from its geothermal and natural gas portfolio.

From the January to September period, the company’s attributable net income jumped by 31.5% to \$246.79 million from \$187.62 million.

Meanwhile, Aboitiz Power Corp. registered a consolidated net income of P8.9 billion, marking a 7% decrease due to its distribution group’s “timing of refunds” following rate adjustments mandated by the Energy Regulatory Commission in a resolution issued in 2022.

However, the company’s net income from January to September

was P26.74 billion, up 37% from the P19.52 billion a year earlier.

Semirara Mining and Power recorded a 66% decline in attributable net income to P3.4 billion for the third quarter, dragged down by weak coal selling prices, fewer shipments, and lower foreign exchange gains.

Its income for the three quarters fell by 37% to P22.62 billion from P35.95 billion, which the company attributed to the “high base effect and stabilizing global coal market.”

Despite projected growth, analysts said that energy companies should look out for external factors that could influence their operations and performance.

“Despite power gen companies’ commitment to develop the country’s power supply, we remain wary

of challenges about the pace of connectivity infrastructure expansion and possible delays in capacity build-out,” Mr. Soriano said.

Globalinks Securities and Stocks, Inc. Head of Sales Trading Toby Allan C. Arce likewise said in a Viber message that the growth of the energy sector, especially in renewables, may be constrained by infrastructure challenges.

“Adequate infrastructure is crucial for the efficient generation and distribution of energy, and any delays or limitations in infrastructure development could hinder the sector’s growth,” he said.

Mr. Limlingan said that “vigilance is necessary to navigate challenges related to oil price volatility, regulatory changes, and supply chain disruptions.”

OUTLIER

SM Prime shares dip despite capex news, fourth-quarter GDP

SHARES in SM Prime Holdings, Inc. edged down last week despite news on its allocation for capital expenditures (capex) this year reaching P100 billion and the Philippine economy expanding by 5.6% in the fourth quarter of 2023.

Data from the Philippine Stock Exchange (PSE) showed 30.82 million shares worth P1.05 billion exchanged hands from Jan. 26 to Feb. 2, making the listed property developer the fourth most actively traded stock in the local bourse last week.

Shares in the Sy-led company finished trading at P33.60 on Friday. The stock price inched down by 0.3% from a week earlier. For the year, the stock rose by 2.1%.

The local market has been buoyed by a prevailing sense of optimism by the easing of the macroeconomic backdrop, said Luis A. Limlingan, head of sales at Regina Capital Development Corp.

He added that the news on the fourth quarter gross domestic product (GDP) affected equities, which caused the PSE index to rise due to a bullish market.

“With the ongoing discussions about potential rate cuts this year, the property sector is in a favorable position as investors expect homebuyer’s appetite to come back, and this bodes well for [SM Prime’s] performance, with the company having a lion’s share in the property sector,” Mr. Limlingan said in an e-mail.

In the fourth quarter of 2023, Philippine economic growth slowed to 5.6%, from the revised 7.1% expansion in the third quarter.

Meanwhile, the country’s full-year GDP print also stood at 5.6%, below the government’s target of 6-7%, and much slower than the 7.6% expansion in 2022.

Last week, reports showed that the property developer has allocated up to P100 billion for its capital expenditure budget this year.

SM Prime President Jeffrey C. Lim told reporters that the company is also awaiting

FULL STORY



Read the full story by scanning the QR code or by typing the link <t.ly/Nzck>

“more favorable market conditions” before proceeding with the planned initial public offering (IPO) of its real estate investment trust (REIT). — **Abigail Marie P. Yraola**

SEC warns against investing in SK Pools Mining, SOAO

THE Securities and Exchange Commission (SEC) has cautioned the public against investing in SK Pools Mining Corp. and SOAO, saying these entities are not authorized to solicit investments.

In two separate advisories on its website, the corporate regulator said that the two entities do not have the necessary license to offer and sell securities.

SK Pools Mining is allegedly enticing the public via social media to purchase a cloud mining machine, ranging from P700 to P75,000, with promised daily earnings of P70 to P1,950, the SEC said.

The SEC also said that SK Pools Mining is using a fake certificate of incorporation to establish its legitimacy.

“The scheme employed by SK Pools Mining has the characteristics of a Ponzi scheme where monies from new investors are used in paying fake profits to prior investors and is designed mainly to favor its top recruiters and prior risk takers and is detrimental to subsequent members in case of scarcity of new investors,” the SEC said. — **Revin Mikhael D. Ochave**

FULL STORY



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Cebu Pacific targets to resume China route by October

BUDGET CARRIER Cebu Pacific is planning to defer the resumption of its Manila-Beijing flights to October as the company weighs the current market demand, its president said.

“It looks like it’s going to be [October] 2024 and again, it is because China’s been so soft. Until we see a rebound in terms of our forward bookings, I think we have to take a deliberate approach on China,” Alexander G. Lao, Cebu Pacific president and chief commercial officer, told reporters in a media gathering last week.

Cebu Pacific’s Manila-Beijing route was initially set to resume in 2023 but was then deferred to early 2024.

The budget carrier is working to increase its international source market by intensifying its frequencies in other existing networks, Mr. Lao said.

“International though our tourism numbers are still far behind and one of the key reasons is China, I think it was our second largest source market and today it’s not even within our top five or six,” he said, adding that the potential contributions of China’s market was not as large as its share pre-pandemic level.

Last year, Cebu Pacific launched its Manila-Da Nang flight, which operates three times a week.

“I think Da Nang is probably the most recent route we’ve opened. We’re looking at maybe one to two routes to come back. Our strategy is to try to bring back our international capacity to pre-COVID level which we should see this year,” he said. — **Ashley Erika O. Jose**

Denial of wind farm’s refund claim reversed

THE Court of Tax Appeals (CTA) has overturned its denial of EDC Burgos Wind Power Corp.’s refund claim for its excess P34 million value-added tax (VAT) traced to zero-rated sales from Jan. 1 to June 30, 2014.

In an 11-page decision dated Jan. 31, the CTA full court said that the wind farm is not required to present a Certificate of Compliance (CoC) from the Energy Regulatory Commission to prove that its sales qualified for a 0% VAT.

“Given the foregoing, there is a need to ascertain whether the petitioner’s (EDC Burgos) claimed VAT zero-rated sales comply with the invoicing and substantiation requirements

under Section 113 of the National Internal Revenue Code of 1997,” Associate Justice Lane S. Cui-David said in the ruling.

The tax court remanded the case to the CTA Third Division to determine the amount entitled to EDC Burgos.

It noted that as a renewable energy (RE) developer, the firm only had to present its Department of Energy and Board of Investments registration certificates.

In a June 2 decision last year, the tribunal denied the refund claim citing the firm’s failure to present a CoC required under the Electric Power Industry Reform Act of 2001 (EPIRA). — **John Victor D. Ordoñez**



MARKETS AND SECURITIES REGULATION DEPARTMENT

IN THE MATTER OF REGISTRATION OF SECURITIES

CEBU LANDMASTERS, INC.
(Registrant)

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NOTICE

Notice is hereby given that on 25 January 2024, a sworn Registration Statement (“RS”) was filed with the Securities and Exchange Commission for and on behalf of CEBU LANDMASTERS, INC. (the “Company”) for its perpetual, cumulative, non-voting, non-participating, non-convertible, and redeemable Philippine Peso-denominated Series “A” Preferred Shares with a firm offer of up to Three Million (3,000,000) Series “A” Preferred Shares and an oversubscription option of up to Two Million (2,000,000) Series “A” Preferred Shares, by way of a follow-on public offering in the Philippines, at an offer price of One Thousand Pesos (P1,000.00) per share, to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc. (“PSE”) pursuant to Sections 8 and 12 of the Securities Regulation Code.

According to the documents presented, the following persons are the officers and directors of the Corporation:

Name	Position
Jose R. Soberano III	Chairman, Director, President, and Chief Executive Officer
Ma. Rosario B. Soberano	Director, EVP, and Treasurer
Jose Franco B. Soberano	Director, Senior EVP, and Chief Operating Officer
Beauregard Grant L. Cheng	Director, EVP, and Chief Financial Officer
Joanna Marie S. Bergundthal	Director and SVP - Marketing & Assistant Treasurer
Rufino Luis T. Manotok	Independent Director
Ma. Aurora D. Geotina-Garcia	Independent Director
Atty. Ma. Jasmine S. Oporto	Independent Director
Stephen A. Tan	Director
Atty. Alan C. Fontanosa	Corporate Secretary
Atty. Larri-Nil G. Veloso	Assistant Corporate Secretary and FVP for Legal
Atty. John Eddmar G. Garde	Legal & Compliance Sr. Manager
Engr. Pedrito A. Capistrano	FVP - Engineering
Marie Rose C. Yulo	FVP - Sales
Janella Mae S. Wu	AVP - Corporate Communications & Customer Relations
Sylvan John M. Monzon	VP - Business Development
Rhodora M. Vicencio	VP - Property Management
Mark Leo M. Chan	VP - External Affairs
Suzette Go	Data Protection Officer
Clarissa Mae A. Cabalda	Investor Relations Manager & AVP - Corporate Finance
Marilou P. Plando	AVP - Risk Management & Chief Risk Officer

An application for the listing of the Series “A” Preferred Shares has also been submitted to the PSE on 26 January 2024.

Said Registration Statement and other papers/documents attached thereto are open to inspection by interested parties during business hours and copies thereof, photostatic or otherwise, shall be furnished to every party, upon request, at such reasonable fees as the Commission may prescribe. The Registration Statement and Prospectus may also be downloaded from the Corporation’s website at <https://www.cebulandmasters.com/>.

VICENTE GRACIANO FELIZMENO, JR.
Director, Markets and Securities Regulation Department