

Philippine Stock Exchange index (PSEi)

6,652.49

▲ 36.94 PTS.

▲ 0.55%

MONDAY, MAY 6, 2024

BusinessWorld

PSEi MEMBER STOCKS

AC Ayala Corp. P596.00 ---	ACEN ACEN Corp. P4.10 -P0.01 -0.24%	AEV Aboitiz Equity Ventures, Inc. P40.40 -P0.05 -0.12%	AGI Alliance Global Group, Inc. P9.86 +P0.10 +1.02%	ALI Ayala Land, Inc. P26.80 -P0.05 -0.19%	BDO BDO Unibank, Inc. P148.30 ---	BLOOM Bloomerry Resorts Corp. P10.10 +P0.04 +0.4%	BPI Bank of the Philippine Islands P127.00 +P0.90 +0.71%	CNPF Century Pacific Food, Inc. P36.50 -P0.60 -1.62%	CNVRG Converge ICT Solutions, Inc. P8.76 ---
DMC DMCI Holdings, Inc. P10.98 ---	EMI Emperador, Inc. P18.82 -P0.06 -0.32%	GLO Globe Telecom, Inc. P1,770.00 +P10.00 +0.57%	GTCAP GT Capital Holdings, Inc. P639.00 +P4.50 +0.71%	ICT International Container Terminal Services, Inc. P347.00 +P5.00 +1.46%	JFC Jollibee Foods Corp. P219.00 ---	JGS JG Summit Holdings, Inc. P32.65 +P0.70 +2.19%	LTG LT Group, Inc. P10.04 ---	MBT Metropolitan Bank & Trust Co. P71.50 -P0.10 -0.14%	MER Manila Electric Co. P374.00 +P9.00 +2.47%
MONDE Monde Nissin Corp. P11.16 +P0.20 +1.82%	NIKL Nickel Asia Corp. P4.01 +P0.01 +0.25%	PGOLD Puregold Price Club, Inc. P23.45 +P0.65 +2.85%	SCC Semirara Mining and Power Corp. P32.10 -P0.65 -1.98%	SM SM Investments Corp. P944.50 +P2.50 +0.27%	SMC San Miguel Corp. P103.00 ---	SMPH SM Prime Holdings, Inc. P27.35 -P0.05 -0.18%	TEL PLDT Inc. P1,346.00 +P6.00 +0.45%	URC Universal Robina Corp. P106.80 +P5.80 +5.74%	WLCON Wilcon Depot, Inc. P16.90 +P0.20 +1.2%

Foreign operations spur ICTSI Q1 earnings growth



ICTSI.COM

RAZON-LED International Container Terminal Services, Inc. (ICTSI) saw its attributable net income climb by 35.7% to \$209.88 million for the first quarter (Q1), boosted by its international portfolio.

"The group continues to benefit from geographic diversification spanning 19 countries which has enabled us to deliver growth, despite regional economic headwinds," ICTSI Chairman and President Enrique K. Razon told the stock exchange on Monday.

For the January-to-March period, the company's attributable net income went up to \$209.88 million, marking a

35.7% increase from \$164.61 million in the same period last year.

The company's combined revenues surged to \$637.65 million, up by 11.4% from \$572.25 million a year earlier, its financial report showed.

Broken down, its US operations accounted for the majority, or about 41.1% of its revenues at \$262.27 million; Asia at \$259.37 million or 40.7%, and EMEA, or Europe, the Middle East, and Africa's operations at \$116.01 million, accounting for 18.2%.

"I am pleased to announce an excellent first quarter with ICTSI delivering growth in revenues of 11%. Our international

portfolio performed exceptionally well," Mr. Razon said.

"We look to the future with confidence, and with our highly disciplined business model we remain strongly positioned to continue to deliver financially and operationally for all our stakeholders."

The listed port operator said it handled a combined volume of 3.09 million twenty-foot equivalent units (TEUs) in the first quarter, lower than the 3.1 million TEUs handled in the first quarter last year.

The lower volume handled during the period was due to the expiration of the concession contract at the Pakistan International Container Ter-

minal and the termination of cargo handling operations at PT Makassar Terminal Services in Indonesia, ICTSI said.

However, the impact of these were mitigated by the improvement in trade activities at certain terminals and its new services, it added.

Capital expenditures (capex), excluding capitalized borrowing costs for the first quarter, amounted to \$67.94 million, which was allocated for the ongoing expansion at ICTSI-Contecon Manzanillo and ICTSIRio in Brazil, as well as for the expansion of terminals in the Philippines, the company said.

Earlier, the company said it projected a \$450-million ca-

which were carried over from last year's capex.

The company said its target budget for 2024 was allocated for its recently acquired terminal in Iloilo, the Visayas Container Terminal, formerly known as the Iloilo Commercial Port Complex; expansion in Brazil; the development of the East Java Multipurpose Terminal in Indonesia; and its ongoing expansions in Mexico and the Democratic Republic of Congo.

At the local bourse on Monday, shares in the company gained P5 or 1.46% to end at P347 apiece. — **Ashley Erika O. Jose**

SM Prime Q1 net income jumps 11% to P10.5 billion

SY-LED property developer SM Prime Holdings, Inc. said its consolidated net income grew by 11% to P10.5 billion for the first quarter (Q1) from P9.4 billion last year, driven by improvements across its business segments.

First-quarter consolidated revenues increased by 7% to P30.7 billion compared with P28.6 billion in 2023, SM Prime said in a stock exchange disclosure on Monday.

The company's mall business posted a 7% revenue growth to P18.2 billion. It took up 59% of overall revenues.

Mall rental income climbed by 8% to P15.8 billion, while other revenues, including cinema and event ticket sales, reached P2.5 billion.

The company's primary residential business group recorded a 10% increase in revenues to P8.5 billion from P7.7 billion last year, accounting for 28% of overall revenues. Reservation sales reached P26.5 billion during the period.

Revenues of other business segments consisting of offices, hotels, and convention centers saw a 9% growth to P3.4 billion.

Broken down, the company's office business unit reported P1.8 billion in revenues, while hotels and convention centers business unit reached P1.6 billion in revenues.

SM Prime's first-quarter consolidated operating income rose by 6% to P14.7 billion from P13.8 billion last year.

"We are encouraged with the performance of all our businesses this first quarter of 2024. We are particularly bullish with our malls business as we plan to open a new mall this month of May, and another three within the year," SM Prime President Jeffrey C. Lim said.

"For the residential business, our focus remains in addressing housing backlog within the socialized and economic segments," he added.

SM Prime is the property unit of the Sy family's listed holding company SM Investments Corp. It earmarked P100 billion for its capital expenditure budget this year.

On Monday, SM Prime shares dropped by 0.18% or five centavos to P27.35 per share. — **Revin Mikhael Ochave**



AboitizPower Q1 profit climbs; generation, retail EBITDA up

ABOITIZ Power Corp. (AboitizPower) announced on Monday that its net income increased by 4% to P7.9 billion for the first quarter from P7.5 billion in the same period last year.

"AboitizPower continued its strong performance in the first quarter of 2024, building on its successful 2023," AboitizPower President and Chief Executive Officer Emmanuel V. Rubio said in a statement.

Excluding nonrecurring items, the energy company of the Aboitiz group reported a core net income of P7.8 billion, up 3% from P7.6 billion a year ago.

Its generation and retail electricity supply business registered a 5.3% increase in earnings before interest, taxes, depreciation, and amortization (EBITDA) to P13.8 billion.

Capacity sold in the three-month period increased by 1% to 8,812 gigawatt hours (GWh) from 8,725 GWh previously.

AboitizPower's power distribution business recorded an EBITDA of P2.6 billion, a decrease of 11% due to "favorable timing in pass-through charges that were recognized in 2023 resulting from declining fuel prices."

Energy sales grew by 9% to 1,526 GWh due to higher demand driven by the effect of the El Niño weather phenomenon, the company said.

"Looking ahead, we're excited about the new growth drivers emerging this quarter. By leveraging these opportunities, we remain confident in our ability to unlock shared success for all our stakeholders," Mr. Rubio said.

For 2024, AboitizPower has set aside P73 billion in capital expen-

ditures (capex), higher than the P26 billion in 2023. Of the total, 72% is earmarked for its renewable energy pipeline.

The energy company aims to build 3,700 megawatts (MW) of new renewables, which will grow its capacities to 4,600 MW by 2030.

As part of its initial expansion phase of 1,200 MW, renewable energy projects totaling a capacity of 176 MW are set to come online in the first half of 2024.

This includes the 17-MW binary geothermal power plant in Tiwi, Albay, and the 159-MW solar plant in Laoag, Pangasinan.

The company said construction for an additional 218 MW is ongoing.

"The second phase of AboitizPower's expansion will see another 1,700 MW of new solar and wind power," it said.

Meanwhile, the rest of the P73-billion budget for the year is allocated for further improving the reliability of the company's baseload power plants, land acquisition, and new substations and meters for its distribution business.

The capex does not yet include the investment in Chromite Gas Holdings.

In March, AboitizPower, through its subsidiary Therna NatGas Power, entered into an investment agreement with Meralco PowerGen Corp. to acquire a 40% stake in Chromite Gas.

The investment involves two gas-fired power plants — the 1,278 MW Ilijan power plant and a new 1,320 MW combined cycle power facility — as well as a liquefied natural gas import and regasification terminal. — **Sheldeen Joy Talavera**

SMPC income down 28% on weaker market prices

SEMIRARA Mining and Power Corp. (SMPC) posted an attributable net income of P6.54 billion for the first quarter, down by 28% from the previous year due to lower selling prices for coal and electricity.

"While we faced some pricing challenges this quarter, our robust export sales and improved plant performance demonstrate the resilience and adaptability of our operations," SMPC President and Chief Operating Officer Maria Cristina C. Gotianun said in a statement on Monday.

For the January-to-March period, the company's revenues declined by 11% to P18.43 billion from P20.71 billion in the same period last year.

This was attributed to the "softer market prices for both coal and power segment coupled with higher proportion of noncommercial grade coal shipments."

SMPC said that the decline in revenues was cushioned by increased coal shipments and electricity dispatch.

The average selling price for Semirara coal declined by 33% to P2,978 per metric ton (MT) from P4,427 per MT in the previous year.

Coal sales went up by 37% to 4.8 million MT, mainly driven by exports which soared by 78% to 2.7 million MT.

Total coal shipments increased by 37% to 4.8 million MT, boosted by strong Chinese and international demand.

Foreign shipments went up by 78% to 2.7 million MT as China sales more than doubled to 2.3 million MT.

Domestic shipments rose by 6% to 2.1 million MT due to an uptick in internal sales, as the company recorded its highest overall plant availability at 92%.

"With better overall plant availability, gross generation increased by 7% from 1,316 gigawatt hours (GWh) to 1,408 GWh," the company said.

The average selling price for SMPC's electricity dropped by 28% to P4.47 per kilowatt-hour largely due to the sharp drop in the Wholesale Electricity Spot Prices.

Electricity sales volume grew by 3% to 1,281 GWh due to higher bilateral contract quantity (BCQ) sales, which offset the decline in spot market dispatch for the period.

BCQ sales rose by 38% to 499 GWh while spot sales decreased by 11% to 782 GWh.

During the company's annual stockholder's meeting, Ms. Gotianun said that Narra mine has remaining reserves of approximately 45 million MT as of yearend 2023.

"Assuming demand remains stable, primarily from the domestic market, we believe an annual

shipment of 16 million MT is sustainable until 2026," she said.

She also said that exploration activities at the Acacia mine are ongoing, "which could sustain our coal operations for an additional four years."

The company expects coal demand in China to remain stable in the near to medium term "given its important role in their energy security program," she noted.

"Coal is not only a primary source of energy but also a critical backup that ensures supply stability. RE (renewable energy) sources typically provide intermittent output so China relies on coal to achieve a consistent energy supply," she added.

"We do not foresee a rapid decrease in their coal consumption anytime soon."

Shares of the company on Monday went down by P0.55 or 1.68% to close at P32.20 each. — **Sheldeen Joy Talavera**

EEl Corp. board approves creation of new unit

EEl Corp. said its board of directors has approved the establishment of a new subsidiary and the subscription to shares worth P500 million.

In a stock exchange disclosure, EEl said the wholly owned subsidiary is designated to acquire and hold interest in various potential businesses.

"The company to be registered with the Securities and Exchange Commission (SEC) will be a holding company intended to acquire and hold interests in various potential business," EEl said in its regulatory filing.

EEl will subscribe to a total of 500 million shares priced at P1 apiece, amounting to a total of P500 million, representing 100% of the company's outstanding shares.

It said the closing of the share subscription is still pending approval from the Securities and Exchange Commission.

In the company's previous disclosure, it mentioned that it had received the certificate of incorporation from the SEC for EEl Ventures, Inc.

Established in 1931, EEl has business interests in construction services and the distribution of industrial and machinery systems.

EEl is primarily engaged in the construction of power-generating facilities, oil refineries, chemical production plants, rails, ports, expressways, and high-rise towers.

Its subsidiaries include EEl Ltd., EEl Construction and Marine, Inc., and EEl Power Corp.

In 2023, the company reported an attributable net income of P149.67 million, lower by 28.5% from P209.21 million in a year earlier, due to higher expenses for the period, according to its financial statement.

Last year, the company's revenues went up to P18.75 billion, 28% higher from the P14.65 billion in 2022.

The company's combined expenses for 2023 climbed 13.6% to P16.21 billion from P14.27 billion in 2022.

At the local bourse on Monday, shares in the company shed 22 centavos or 4.19% to end at P5.03 apiece. — **Ashley Erika O. Jose**