

## Philippine Stock Exchange index (PSEi)

6,542.46

▼ 116.72 PTS.

▼ 1.75%

THURSDAY, MAY 9, 2024

BusinessWorld

## PSEI MEMBER STOCKS

<b>AC</b> Ayala Corp. P582.50 -P2.00 -0.34%	<b>ACEN</b> ACEN Corp. P4.54 +P0.36 +8.61%	<b>AEV</b> Aboltiz Equity Ventures, Inc. P39.25 -P0.75 -1.88%	<b>AGI</b> Alliance Global Group, Inc. P9.90 +P0.20 +2.06%	<b>ALI</b> Ayala Land, Inc. P27.85 +P0.05 +0.18%	<b>BDO</b> BDO Unibank, Inc. P141.80 -P4.40 -3.01%	<b>BLOOM</b> Blossom Resorts Corp. P10.20 -P0.14 -1.35%	<b>BPI</b> Bank of the Philippine Islands P123.00 -P1.40 -1.13%	<b>CNPF</b> Century Pacific Food, Inc. P36.20 -P0.35 -0.96%	<b>CNVRG</b> Converge ICT Solutions, Inc. P8.79 ---
<b>DMC</b> DMCI Holdings, Inc. P10.90 +P0.02 +0.18%	<b>EMI</b> Emperador, Inc. P18.38 -P0.04 -0.22%	<b>GLO</b> Globe Telecom, Inc. P1,772.00 +P4.00 +0.23%	<b>GTCAP</b> GT Capital Holdings, Inc. P628.00 -P20.00 -3.09%	<b>ICT</b> International Container Terminal Services, Inc. P354.00 -P5.00 -1.39%	<b>JFC</b> Jollibee Foods Corp. P219.80 -P2.00 -0.9%	<b>JGS</b> JG Summit Holdings, Inc. P31.20 -P1.60 -4.88%	<b>LTG</b> LT Group, Inc. P10.02 ---	<b>MBT</b> Metropolitan Bank & Trust Co. P68.50 -P2.10 -2.97%	<b>MER</b> Manila Electric Co. P372.80 -P2.00 -0.53%
<b>MONDE</b> Monde Nissin Corp. P11.70 +P0.52 +4.65%	<b>NIKL</b> Nickel Asia Corp. P4.20 -P0.03 -0.71%	<b>PGOLD</b> Puregold Price Club, Inc. P24.50 +P0.30 +1.24%	<b>SCC</b> Semirara Mining and Power Corp. P32.00 -P0.10 -0.31%	<b>SM</b> SM Investments Corp. P877.00 -P44.00 -4.78%	<b>SMC</b> San Miguel Corp. P104.00 ---	<b>SMPH</b> SM Prime Holdings, Inc. P26.95 -P0.90 -3.23%	<b>TEL</b> PLDT Inc. P1,355.00 -P13.00 -0.95%	<b>URC</b> Universal Robina Corp. P108.70 -P1.80 -1.63%	<b>WLCON</b> Wilcon Depot, Inc. P18.00 +P0.50 +2.86%

## PLDT profit hits P9.8B with data, broadband growth

PANGILINAN-LED telecommunications company PLDT Inc. saw its attributable net income climb by 8.9% to P9.82 billion for the first quarter (Q1) from P9.06 billion a year ago, boosted by higher net service revenues.

PLDT's combined revenues for the period expanded by 3.6% to P54.22 billion from P52.36 billion previously driven by service revenues.

"We continue to squeeze growth out of an industry that seems bound by gravity. That said, our first quarter results are encouraging. We are determined to break past this gravitational hold," PLDT Chairman and Chief Executive Officer Manuel V. Pangilinan said.

Broken down, service revenues lifted the company's top line after climbing by 5% to P52.2

billion from last year's P49.73 billion, representing 96.3% of the company's revenues for the period, while non-service revenues accounted for the 3.7% share at P2.03 billion.

Among its service revenues, the company's individual wireless segment posted P21.1 billion, while mobile data revenues reached P18.8 billion, PLDT said.

To date, active data users grew to 39.4 million with an average data usage per subscriber at 11.6 gigabytes.

PLDT's telco core income, which excludes the impact of asset sale and Maya Innovations Holdings, formerly Voyager Innovations Holdings, reached P9.32 billion, 7.9% higher than the P8.64 billion in the first quarter last year.

The telecommunications company's wireless unit Smart Communications, Inc. has recorded a total of 59 million mobile subscribers as of end-March.

Digital Lender Maya Bank, Inc. is expecting to launch more loan and investment products this year to help boost the company's goal to serve unbanked and underserved markets.

For the first quarter, Maya has disbursed P34 billion in loans with 59% of its borrowers having Maya as their first and only bank, it said, adding that this highlights the digital inclusion roadmap of the company.

"Maya continues to solidify its status as the Philippines' payment backbone by enabling thousands of large, small, and micro businesses to accept digital payments," PLDT said.

## PLDT SELLS DATA CENTER BUSINESS

Further, the company said it is in talks with Nippon Telegraph and Telephone (NTT) Japan on its data center assets.

In March, PLDT said it was in discussion with a foreign entity for the asset management of ePLDT, Inc.'s data centers.

"Likely to be north of \$1 billion," Mr. Pangilinan said when asked about the price of PLDT's data center business.

"Do we sell 48%, 40%, 50%, or 60% of the data center business? Obviously when you sell control of the data centers, we get more money or premium, the question now to PLDT is do we keep control?" he said.

However, Mr. Pangilinan said nothing is final yet at the moment and if the negotiations with NTT

Japan will not push through, its data center unit may opt for a real estate investment trust (REIT) listing.

Earlier this year, ePLDT designated its unit VITRO, Inc. to handle its data center operations.

"If we cannot get the values from equity investors, let's say we decide to keep control, we might get a REIT of the data centers," Mr. Pangilinan said.

To date, PLDT has 11 data centers including the 50-megawatt hyperscale data center in Sta. Rosa Laguna which is expected to be completed by July.

Meanwhile, Mr. Pangilinan said PLDT is still searching for the next president after Alfredo S. Panlilio resigned from the role last year due to health reasons.

Currently, Mr. Pangilinan said the company has at least two to

three candidates being considered for the role.

"I am still alive, (the search) is ongoing. I have seen two to three candidates. But I think in the shorter period (we will announce) because I do not intend to stay in this seat for a longer (period)," Mr. Pangilinan said.

"I do hope that by the start of next year. We will have visibility of a CEO position."

At the local bourse on Thursday, shares in the company shed P13 or 0.95% to end at P1,355 apiece.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Ashley Erika O. Jose**

## Meralco expects increase in generation charge for May

MANILA Electric Co. (Meralco) said it expects an increase in power costs from suppliers this month due to higher prices in the Wholesale Electricity Spot Market (WESM).

"This is mainly due to higher WESM prices brought about by the tight supply condition, as power demand surged along with higher heat indices," Meralco said in a statement on Thursday.

Peak demand in Luzon rose by about 2,400 megawatts compared

with the March supply month, the power distributor said.

The generation charge mostly makes up the bulk of a consumer's monthly bill.

For April, typical households saw a nearly P1 decrease in their monthly electricity bill for the first time this year due to a sharp drop in generation and transmission charges.

The power distributor cut the overall rate by P0.9879

per kilowatt-hour (kWh) to P10.9518 per kWh in April from P11.9397 in March.

Meralco Spokesperson Joe R. Zalduendo has said that there is a possibility of an increase in power rates for May as high demand adds pressure to the WESM, the trading floor for electricity.

"We continue to remind the public to practice energy efficiency to have better management over their power consump-

tion and electricity bills," the energy company said.

Meralco's controlling stakeholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Sheldeen Joy Talavera**

## Megaworld income climbs in Q1 on strong demand

TAN-LED property developer Megaworld Corp. saw an 8% jump in its first-quarter (Q1) attributable net income to P4.4 billion from P4.08 billion last year on higher residential sales as well as mall and hotel revenues.

Consolidated revenues during the January to March period improved by 16% to P18.87 billion from P16.23 billion last year, Megaworld said in a statement to the stock exchange on Thursday.

Megaworld is the property unit of the Tan family's listed holding company Alliance Global Group, Inc. (AGI).

"We started 2024 by consolidating our strength and forging stability for our core businesses

as we look forward to many more opportunities for growth in the coming years," AGI Chief Executive Officer Kevin L. Tan said.

Real estate sales improved by 29% to P12.1 billion led by strong bookings and unit sales. Leasing revenue also climbed by 6% to P4.6 billion.

Revenue of Megaworld Lifestyle Malls jumped by 20% to P1.5 billion on higher tenant sales and increased occupancy of 93%, while revenue of Megaworld Premier Offices was at the same level at P3.2 billion.

Megaworld Hotels & Resorts revenues surged by 39% to P1.1 billion carried by the growth of meetings, incentives, conven-

tions, exhibitions (MICE) activities and local tourism.

The company attributed the revenue growth to its Boracay Newcoast development, which saw strong bookings of the 1,200-seater Boracay Newcoast Convention Center.

Meanwhile, Mr. Tan said that Megaworld is eyeing to finish 2024 with 35 townships in its portfolio.

"This year, we hope to finish 2024 with 35 townships to coincide with our 35 years in the Philippine real estate industry," he said.

To date, Megaworld has 31 master-planned integrated urban townships, integrated lifestyle communities, and lifestyle estates across the country.

## CEMEX PHL widens losses, cites market challenges

CEMEX Holdings Philippines, Inc. (CHP) said it saw a wider net loss for the first quarter, amounting to P917.84 million compared with the P355.49 million net loss last year.

The company's first-quarter revenues dropped by 15% to P3.94 billion from P4.65 billion in 2023 as a result of lower cement prices and strong market competition, CHP said in its quarterly report to the stock exchange disclosed on May 6.

"During the first quarter of 2024, the company's operations remained negatively affected by challenging market conditions, mainly resulting from intense industry compe-

titution, heightened by the presence of imported cement," CHP said.

"These conditions, together with soft cement demand which has prevailed over the last two years, have resulted in lower cement prices year over year, limiting the execution of the company's pricing strategy to recover profitability," it added.

CHP's cost of sales dropped by 11% to P3.3 billion due to lower fuel and power costs. Operating expenses also fell by 5% to P1.3 billion as a result of supply chain efficiencies.

"The company continues to optimize production and

supply chain operations, fixed costs, operating expenses, and working capital to counteract market challenges during the year," CHP said.

"Through these efforts, the company continued to show resilience, with significant cost containment efforts in fuels and enhanced operating efficiencies," it added.

Previously, DMCI Holdings, Semirara Mining and Power Corp. (SMPC), and Dacon Corp. bought CHP for \$305.6 million under a share purchase agreement to expand the conglomerate's portfolio.

The transaction is scheduled to close before yearend.

DMCI bought the entire shares of CEMEX Asia B.V. in CEMEX Asian South East Corp. (CASEC), the majority owner of CHP with an 89.96% equity interest. DMCI will acquire a 56.75% stake in CASEC, Dacon will secure 32.12%, and SMPC will purchase the remaining 11.13%.

Dacon has been appointed as the bidder for the mandatory tender offer to acquire the remaining 10.14% of the total issued and outstanding capital stock of CHP.

On Thursday, CHP shares rose by 6.62% or nine centavos to P1.45 apiece. — **Revin Mikhael D. Ochave**

## MPIC's CdO unit to water district: Show 'good faith' in negotiations

CAGAYAN de Oro Bulk Water, Inc. (COBI), a unit of Metro Pacific Water, is urging the Cagayan de Oro Water District (COWD) to show good faith in negotiations, as the water company seeks resolution over the latter's unsettled accounts.

"We respectfully remind COWD to update its payments, which we believe will demonstrate its good faith and commitment to a successful negoti-

ation," COBI said in a statement on Thursday.

"COBI remains optimistic that a formal settlement agreement would result in a speedy and amicable resolution to this issue," it added.

The Cagayan de Oro (CdO)-based water

company said that COWD has announced its intention to negotiate over the unsettled accounts.

"We believe a mutually beneficial resolution through discussion is the most effective way forward that will benefit not just both parties but, most especially, the consumers," COBI said.

The company has requested COWD to formally engage via documented correspondence for a

productive negotiation. It said that the Local Water Utilities Administration is the "perfect facilitator" for the negotiation as it is in line with its mandate as a regulatory body. — **Sheldeen Joy Talavera**

FULL STORY



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