

Philippine Stock Exchange index (PSEi)

6,633.66

▼49.12 PTS.

▼0.73%

TUESDAY, MAY 21, 2024

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P614.00 -P7.50 -1.21%	ACEN ACEN Corp. P5.00 +P0.10 +2.04%	AEV Aboltiz Equity Ventures, Inc. P37.90 +P0.55 +1.47%	AGI Alliance Global Group, Inc. P9.30 -P0.27 -2.82%	ALI Ayala Land, Inc. P29.00 -P0.70 -2.36%	BDO BDO Unibank, Inc. P138.00 -P2.00 -1.43%	BLOOM Blossom Resorts Corp. P10.68 +P0.10 +0.95%	BPI Bank of the Philippine Islands P125.20 -P1.40 -1.11%	CNPF Century Pacific Food, Inc. P35.00 ---	CNVRG Converge ICT Solutions, Inc. P10.36 +P0.36 +3.6%
DMC DMCI Holdings, Inc. P10.78 +P0.08 +0.75%	EMI Emperador, Inc. P18.18 -P0.02 -0.11%	GLO Globe Telecom, Inc. P2,000.00 -P20.00 -0.99%	GTCAP GT Capital Holdings, Inc. P630.00 -P18.00 -2.78%	ICT International Container Terminal Services, Inc. P347.00 +P7.60 +2.24%	JFC Jollibee Foods Corp. P230.00 ---	JGS JG Summit Holdings, Inc. P33.45 -P0.70 -2.05%	LTG LT Group, Inc. P10.18 +P0.02 +0.2%	MBT Metropolitan Bank & Trust Co. P69.75 -P0.75 -1.06%	MER Manila Electric Co. P377.00 ---
MONDE Monde Nissin Corp. P11.10 -P0.16 -1.42%	NIKL Nickel Asia Corp. P4.46 ---	PGOLD Puregold Price Club, Inc. P24.80 -P0.10 -0.4%	SCC Semirara Mining and Power Corp. P32.05 -P0.15 -0.47%	SM SM Investments Corp. P862.00 -P13.00 -1.49%	SMC San Miguel Corp. P102.80 +P0.90 +0.88%	SMPH SM Prime Holdings, Inc. P29.00 -P0.20 -0.68%	TEL PLDT Inc. P1,436.00 -P27.00 -1.85%	URC Universal Robina Corp. P107.00 -P3.60 -3.25%	WLCON Wilcon Depot, Inc. P19.56 -P0.12 -0.61%

DMCI plans to add copper, gold, coal mining assets

LISTED conglomerate DMCI Holdings, Inc. said it is exploring new copper, gold, and coal assets to boost its mining business.

"We're currently looking at large mining assets, probably copper and gold, and maybe an additional coal mine in Mindanao, if possible, provided that it is open pit," DMCI Chairman and President Isidro A. Consunji said during the company's virtual annual stockholders' meeting on Tuesday.

"Aside from that, we just intend to continue with our aggressive organic growth," he added.

DMCI has presence in the mining sector through its subsidiary DMCI Mining Corp., which operates open-pit mines in Palawan and Zambales via units Berong Nickel Corp. and Zambales Diversified Metals Corp. The companies extract nickel ore, chromite, and iron laterite using surface mining techniques.

The conglomerate is also engaged in coal mining through Semirara Mining and Power Corp. (SMPC).

According to Mr. Consunji, one of the challenges faced by DMCI is securing permits for its nickel projects.

"Right now, we have various nickel assets that are not being operational, waiting for the perfection of the required operational licenses and permits. A lot of these projects are expected to be completed before the end of this year," he said.

"Hopefully, two areas in particular, one in Zambales and one in Long Point, Palawan should be operational before the end of this year," he added.

Mr. Consunji also said the sales of the conglomerate's real estate unit, DMCI Homes, are expected to return to pre-pandemic levels by 2025.

He noted that DMCI Homes has some excess supply of finished units that are currently being sold.

"At the moment, DMCI (Homes) sales are slightly below pre-pandemic level. But we expect by 2025 with the leisure projects and other upper and lower market segments, DMCI Homes will exceed pre-pandemic levels of sales," he said.

Mr. Consunji added that DMCI is focused on participating in the government's infrastructure projects.

"We expect DMCI to be in a strong competitive position to compete in these mega infrastructure projects. We see no

reason why it cannot be competitive, given our track records in developing previous mega infrastructure projects."

On the recent acquisition of CEMEX Holdings Philippines, Inc. (CHP), Mr. Consunji said that this will create synergy with the conglomerate's other businesses.

DMCI, SMPC, and Dacon Corp. recently announced the acquisition of CHP for \$305.6 million under a share purchase agreement. The transaction is expected to close before the end of 2024.

DMCI bought the entire shares of Cemex Asia BV in CEMEX Asian

South East Corp. (CASEC), the majority owner of CHP with an 89.96% equity interest. 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.

Under the transaction, DMCI is set to acquire a 56.75% stake in CASEC, Dacon will secure 32.12%, and SMPC will purchase the remaining 11.13%.

On Tuesday, DMCI stocks improved by 0.75% or eight centavos to P10.78 each. — **Revin Mikhael D. Ochave**

PHINMA Corp. to acquire Petra Cement for P500 million

LISTED conglomerate PHINMA Corp. said it will acquire cement manufacturer Petra Cement, Inc. for P500 million to strengthen its cement business.

The conglomerate, through its subsidiary Philcement Corp., signed a share purchase deal on May 20 with Petra Cement, PHINMA Corp. said in a stock exchange disclosure on Tuesday.

"Philcement Mindanao Corp., a subsidiary of Philcement, will pay a consideration of P500 million in exchange for 100% of the outstanding shares of Petra Cement," PHINMA Corp. said.

The transaction is expected to be closed by Dec. 31.

The acquisition follows the manufacturing and sale agreement signed by Philcement and Petra Cement on Jan. 11.

Philcement will operate Petra Cement's plant in President Manuel A. Roxas, Zamboanga del Norte.

The agreement also covers the production, distribution, and retail of cement products.

The plant has a cement grinding facility with a capacity of 500,000 metric tons per annum that caters to the Northern Mindanao market.

"This is aligned with Philcement's growth strategy and its promise to assure Filipino consumers with reliable, high quality supply of cement products under its legacy brand, Union Cement," PHINMA Corp. said.

Philcement is a 60% owned unit of PHINMA Corp. It has business interests in the production, importation, processing, distribution, and sale of cement products. It currently operates a cement processing facility in the Freeport Area of Bataan in Mariveles.

Philcement Mindanao is a 70% owned subsidiary of Philcement.

For the first quarter, PHINMA Corp. saw a 1.2% increase in its net income to P490.53 million as consolidated revenue surged by 14% to P5.45 billion led by its education business.

PHINMA Corp. shares rose by 1.49% or 30 centavos to P20.45 each on Tuesday. — **Revin Mikhael D. Ochave**

SM Markets to launch 10-15 stores this year

SY-LED SM Markets said it targets to open 10-15 new stores outside Metro Manila this year to expand into underserved areas and provide more product options to local communities.

Once the expansion is complete, SM Markets will have over 350 stores nationwide this year, with more than 70% outside the National Capital Region, SM Investments Corp. (SMIC) said in a statement on Tuesday.

SM Markets is the umbrella brand for SM Supermarket, SM Hypermarket, and Savemore Market.

For the first half, SM Markets aims to open a total of seven stores, with upcoming store launches in Mati, Davao Oriental; Marilao, Bulacan; and Naujan, Mindoro.

It previously opened Savemore Siniloan, Laguna; Savemore Pantukan, Davao de Oro; Savemore Hotel Supreme, Baguio; and SM Supermarket, Caloocan.

"This regional expansion is aligned with SM Markets' commitment to reach more customers by bringing quality, affordable products, and exceptional service closer to more Filipino homes," SMIC said.

"The new grocery stores will introduce more options for local communities and at the same time, support homegrown micro, small, and medium enterprises by providing opportunities to showcase their products on

the shelves and weekend markets," it added.

In 2023, SM Markets opened 12 stores in various areas such as Iloilo, Bataan, Leyte, and General Santos.

Among the new additions were two SM Cherry branches in Aklan and Rizal.

To date, SM Markets has 66 SM Supermarkets, 54 SM Hypermarkets, and 223 Savemore Markets.

"Service is at the heart of everything we do. As we grow, we see an opportunity to enhance lives by providing quality food and excellent service across the nation. From fresh produce to pantry staples and discoveries, we aim to ensure families have access to their daily essentials," SM Supermarket President Jojo R. Tagbo said.

SM Supermarket offers diverse food items in SM malls. SM Hypermarket combines a supermarket and a department store. Savemore Market provides grocery essentials and is accessible to communities nationwide.

The SM Group's retail operations consist of grocery stores, department stores, and specialty retail stores.

For the first quarter, SMIC recorded a 6% increase in its consolidated net income to P18.4 billion as consolidated revenue climbed by 4% to P144 billion led by its banking business.

SMIC stocks dropped by 1.49% or P13 to P862 apiece on Tuesday. — **Revin Mikhael D. Ochave**

Ayala Land raises P3.18B from block sale of AREIT shares

PROPERTY developer Ayala Land, Inc. (ALI) said it has raised P3.18 billion from a block sale of AREIT, Inc. shares as part of a property-for-share swap deal.

ALI and its wholly owned subsidiary Westview Commercial Ventures Corp. sold an aggregate of 98 million common shares of AREIT at P32.45 apiece to institutional investors, the listed property developer said in a stock exchange disclosure on Tuesday.

"The transaction is 2x oversubscribed at the clearing price

and was anchored by high-quality long-only institutional investors. The placement is in relation to ALI's property-for-share swap transaction with AREIT," ALI said.

AREIT is the real estate investment trust of ALI. The deal was done pursuant to a placement agreement with BPI Capital Corp. and UBS AG Singapore branch.

"The proceeds from the block sale shall be settled on May 23, subject to the terms and conditions of the placement agreement. ALI and its subsidiary will submit

the required reinvestment plan detailing the use of proceeds obtained from the block sale in due course," ALI said.

In June 2021, ALI announced that it had executed the deed of exchange for the property-for-share swap transaction with AREIT, Inc.

The deal includes the issuance of ALI and its subsidiaries, Westview Commercial Ventures and Gensworth Development, Inc., 483,254,375 primary common shares of AREIT at P32 apiece in

exchange for ALI's properties valued at P15.46 billion altogether.

The properties involved in the transaction include Vertis North Commercial Development, Evo-tech Buildings 1 and 2, Bacolod Capitol Corporate Center, Ayala Northpoint Technohub, and office condominium units at BPI-Philam Life Buildings in Makati and Alabang.

On Tuesday, ALI shares fell by 2.36% or 70 centavos to P29 per share. — **Revin Mikhael D. Ochave**



Meralco energizes P450-M Batangas City substation

MANILA Electric Co. (Meralco) said it has energized a P450-million new substation in Batangas City.

"The newly energized Pallocan West substation will not only cater to the existing energy demand of Batangas City but is also designed to support the future power requirements of the emerging economic hub," Meralco Executive Vice-President and Chief Operating Officer Ronnie L. Apocho said in a statement on Tuesday.

The power distributor said that the new 69 kilovolt (kV)-13.8 kV gas-insu-

lated switchgear substation comes with an installation of a 50-megavolt-ampere power transformer.

It also has two new 13.8 kV distribution feeders and a new 69 kV line source.

The new substation is expected to provide power to key government establishments in the province such as the Office of the Vice Governor, the Batangas Provincial Disaster Risk, Evaluation, Alleviation, and Mitigation Zone, the Bureau of Internal Revenue District Office - Batangas City, and the Batangas City Hall of Justice.

It will also cover the energy requirements of business establishments including SM City Batangas, Wilcon Depot Batangas, United Doctors of St. Camillus de Lellis Hospital and Medical Center, Jesus of Nazareth Hospital Batangas, Days Hotel by Wyndham Batangas, and Pontefino Hotel and Residences.

"Moving forward, Meralco will continue investing heavily on projects that will not just improve the electricity distribution system, but also contribute to ensuring that the infrastructure

support for the government's nation-building efforts," Mr. Apocho said.

Earlier this month, Meralco said it had switched on the P170.81-million Malinta Substation in Valenzuela City.

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**