

Philippine Stock Exchange index (PSEi)

6,366.03

▼2.77 PTS.

▼0.04%

WEDNESDAY, JUNE 19, 2024

BusinessWorld

PSEI MEMBER STOCKS

|   |  |  |  |   |  |   |  |  |   |
|---|--|--|--|---|--|---|--|--|---|
| <b>AC</b><br>Ayala Corp.<br>P575.50<br>+P2.50 +0.44%          | <b>ACEN</b><br>ACEN Corp.<br>P4.65<br>-P0.13 -2.72%        | <b>AEV</b><br>Aboitiz Equity Ventures, Inc.<br>P39.00<br>+P0.45 +1.17% | <b>AGI</b><br>Alliance Global Group, Inc.<br>P9.05<br>-P0.13 -1.42%      | <b>ALI</b><br>Ayala Land, Inc.<br>P27.85<br>-P0.20 -0.71%                                 | <b>BDO</b><br>BDO Unibank, Inc.<br>P134.00<br>+P1.10 +0.83%    | <b>BLOOM</b><br>Bloomerry Resorts Corp.<br>P10.20<br>+P0.18 +1.8% | <b>BPI</b><br>Bank of the Philippine Islands<br>P114.90<br>-P0.70 -0.61% | <b>CNPF</b><br>Century Pacific Food, Inc.<br>P33.80<br>-P1.10 -3.15%   | <b>CNVRG</b><br>Converge ICT Solutions, Inc.<br>P10.50<br>--- |
| <b>DMC</b><br>DMCI Holdings, Inc.<br>P11.18<br>-P0.06 -0.53%  | <b>EMI</b><br>Emperador, Inc.<br>P18.72<br>-P0.08 -0.43%   | <b>GLO</b><br>Globe Telecom, Inc.<br>P1,979.00<br>-P16.00 -0.8%        | <b>GTCAP</b><br>GT Capital Holdings, Inc.<br>P564.00<br>-P16.00 -2.76%   | <b>ICT</b><br>International Container Terminal Services, Inc.<br>P341.00<br>+P3.00 +0.89% | <b>JFC</b><br>Jollibee Foods Corp.<br>P223.00<br>-P0.80 -0.36% | <b>JGS</b><br>JG Summit Holdings, Inc.<br>P28.75<br>+P0.25 +0.88% | <b>LTG</b><br>LT Group, Inc.<br>P10.00<br>---                            | <b>MBT</b><br>Metropolitan Bank & Trust Co.<br>P67.90<br>+P0.40 +0.59% | <b>MER</b><br>Manila Electric Co.<br>P371.20<br>-P4.40 -1.17% |
| <b>MONDE</b><br>Monde Nissin Corp.<br>P10.50<br>-P0.08 -0.76% | <b>NIKL</b><br>Nickel Asia Corp.<br>P3.86<br>-P0.06 -1.53% | <b>PGOLD</b><br>Puregold Price Club, Inc.<br>P24.85<br>---             | <b>SCC</b><br>Semirara Mining and Power Corp.<br>P32.25<br>+P0.20 +0.62% | <b>SM</b><br>SM Investments Corp.<br>P840.00<br>+P5.00 +0.6%                              | <b>SMC</b><br>San Miguel Corp.<br>P100.10<br>-P0.80 -0.79%     | <b>SMPH</b><br>SM Prime Holdings, Inc.<br>P26.65<br>-P0.35 -1.3%  | <b>TEL</b><br>PLDT Inc.<br>P1,410.00<br>+P18.00 +1.29%                   | <b>URC</b><br>Universal Robina Corp.<br>P104.00<br>-P1.00 -0.95%       | <b>WLCON</b><br>Wilcon Depot, Inc.<br>P17.80<br>+P0.12 +0.68% |

# Megawide gets SEC's approval for its P5-billion bond offering

THE Securities and Exchange Commission (SEC) has approved the planned bond offering of Saavedra-led infrastructure conglomerate Megawide Construction Corp. worth up to P5 billion. The commission en banc rendered effective the registration statement of Megawide's bond offer during a meeting on June 18, the SEC said in an e-mailed statement on Wednesday. Megawide's bond offer will consist of up to P4 billion of fixed-

rate bonds with an oversubscription option of up to P1 billion. The bond offer will be made up of series C bonds due 2027, series D bonds due 2029, and series E bonds due 2031. Megawide expects to generate P4.93 billion worth of net proceeds from the offer, assuming that the oversubscription option is fully exercised. "Proceeds will be used for the refinancing of the company's existing debt obligations

and funding of business development opportunities, as well as other general purposes," the SEC said. Based on Megawide's latest timetable sent to the SEC, the bonds will be offered at face value from June 24 to July 3, with listing at the Philippine Dealing & Exchange Corp. set on July 11. Megawide has tapped PNB Capital and Investment Corp., RBCB Capital Corp., and SB Capital Investment Corp. as the

joint issue managers, joint lead underwriters, and bookrunners for the offer. For the first quarter, Megawide recorded P183.4 million in consolidated net income, a turnaround from the P7.4-million net loss last year. Consolidated revenue increased by 19% to P5.2 billion. Megawide shares rose by 0.33% or one centavo to close at P3.06 apiece on Wednesday. — **Revin Mikhael D. Ochave**



THE DEPARTMENT of Transportation said it is now reviewing the new proposal for the Metro Line Transit Line 3's operations.

## MPIC's MRT-3 proposal under review, DoTr says

THE DEPARTMENT of Transportation (DoTr) is now evaluating the unsolicited proposal of the Metro Pacific Investments Corp. (MPIC) to integrate the operations of the Metro Line Transit Line 3 (MRT-3) and the Light Rail Transit Line 1 (LRT-1). "The proposal was first submitted to the PPP (Public-Private Partnership) Center then turned over to us. It is now being evaluated by our planning people," a representative from the DoTr said by phone on Wednesday. Following the PPP Center's endorsement, the DoTr will have a month to evaluate the proposal and endorse it to the National Economic and Development Authority if deemed eligible, the agency said. The Transportation department aims to privatize MRT-3 before the contract expires next year under the build, lease, and transfer agreement with MRT-3 operator Sobrepeña-led Metro Rail Transit Corp.

However, the DoTr has yet to decide if it will go the solicited or unsolicited route for the project. In May, Transportation Undersecretary Timothy John R. Batan said the MPIC-Sumitomo Consortium had resubmitted their unsolicited proposal for the MRT-3 operations and maintenance (O&M) contract. Aside from the group, San Miguel Corp., which was declared the original proponent for the MRT-3's O&M contract in 2022, has also submitted a proposal. MPIC is one of the three key Philippine units of Hong Kong-based First Pacific Co. Ltd., the others being Philex Mining Corp. and PLDT Inc. Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority share in *BusinessWorld* through the Philippine Star Group, which it controls. — **Ashley Erika O. Jose**

## FHC to open P2.7-B Grafik Hotel Baguio by Q1 2025

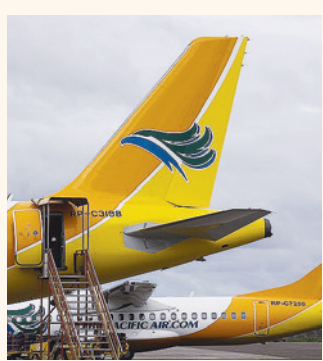
GOTIANUN-LED Filinvest Hospitality Corp. (FHC) is eyeing to open the P2.7-billion Grafik Hotel Baguio within Camp John Hay by the first quarter (Q1) of 2025, marking the launch of its new hotel line. The new hotel will offer 256 rooms, five food and beverage outlets, a grand ballroom, meeting spaces, and a spa, FHC said in a statement on Wednesday. FHC recently topped off the property, which was built in partnership with the Bases Conversion and Development Authority (BCDA) and John Hay Management Corp. (JHMC). The new hotel in Baguio will be the eighth hotel property of the Filinvest Group and the first one under the Grafik Hotel Collection upscale hospitality brand. FHC is the hospitality unit of listed holding company Filinvest Development Corp. (FDC). "The Grafik Hotel Collection is poised to make a significant impact on the local econ-

omy. By creating numerous employment opportunities, we aim to engage and uplift the community," FHC First Senior Vice-President Francis Nathaniel C. Gotianun said. "Our project will not only boost tourism but also foster a sense of pride and involvement among the residents of Baguio. We are committed to contributing to the city's growth and prosperity," he added. The project has generated about 3,000 jobs during the construction phase and will hire 250-300 employees when it becomes operational. The new hotel will cater to both domestic and international travelers. "The Grafik Hotel is set to significantly boost the revenue for the John Hay Special Economic Zone by attracting a larger number of tourists. It will play a key role in job creation, balancing economic growth with environmental sustainability," JHMC President and Chief Executive Officer Marlo Ignacio V. Quadra said.

Chroma Hospitality, Inc. Country Manager James M. Montenegro said the Grafik Hotel Collection aims to "celebrate the beauty and stories of the Philippines." "Our properties will serve as gateways to the Filipino experience, offering guests a chance to become part of the narrative through immersive and engaging experiences," he said. The Filinvest Group oversees its portfolio of hotels through a partnership with Chroma Hospitality. Aside from the Grafik Hotel Collection, Chroma Hospitality is the management company behind hotel brands such as Crimson Hotels & Resorts (Mactan, Boracay, and Filinvest City), Quest Hotels & Resorts (Cebu City, Clark, and Tagaytay), Mimosa Plus Golf Course in Clark, Timberland Highlands Resort, and Timberland Mountain Bike Park in San Mateo, Rizal. FDC stocks were last traded on June 18 at P5.40 per share. — **Revin Mikhael D. Ochave**

## Cebu Pacific to launch San Vicente-Cebu route

CEBU PACIFIC, operated by Cebu Air, Inc., is further expanding its domestic network by launching flights to San Vicente, Palawan from Cebu in October, it said on Wednesday. "Cebu Pacific is thrilled to expand our domestic network by introducing flights to San Vicente," Alexander G. Lao, Cebu Pacific president and chief commercial officer, said in a statement. The airline company will operate flights between Cebu and San Vicente, Palawan four times a week on Tuesdays, Thursdays, Saturdays, and Sundays beginning Oct. 24, the budget carrier said. The soon-to-be launched flight route to San Vicente, Palawan will not only allow travelers easier access to affordable flights but it also boost inter-island connectivity, Mr. Lao said. The airline company on Wednesday launched a week-long sale for the Cebu-San Vicente flights. The travel period for the flights on sale is on Oct. 24 until March 29, 2025. Under Cebu Pacific's seat sale, flights could cost as low as P1 for the one-way base fare, excluding fees and surcharges.



Meanwhile, the budget carrier is also offering connecting flights to San Vicente, Palawan from Manila for a one-way base fare of as low as P998 until the end of month. The travel period for the promo is also from Oct. 24 until March 29, 2025. Cebu Air earlier said it was planning to expand its international routes and increase flight frequencies to popular local and foreign destinations in line with its \$12-billion aircraft order, whose supplier is set to be announced soon. To date, Cebu Pacific flies to 35 domestic and 24 international destinations in Asia, Australia, and the Middle East. Cebu Air shares rose by 10 centavos or 0.36% to end at P28 each on Wednesday. — **A.E.O. Jose**

## Shang Properties bullish on growth prospects

LISTED property developer Shang Properties, Inc. is bullish on its growth prospects for this year amid its planned project launches, an official said. "We are extremely optimistic about the future plans and projects in our pipeline and the opportunity to grow our footprint domestically," Shang Properties Executive Vice-President for Commercial Maria Rochelle S. Diaz said in a statement on Wednesday. "We have two new project launches still to come in 2024, along with the redevelopment of our flagship mall Shangri-La

Plaza, which is sure to delight a whole new generation of consumers," she added. The company said its ongoing projects, the Shang Residences at Wack Wack and Aurelia Residences, are nearing completion and have boosted its residential net income. Shang Residences at Wack Wack is an exclusive resort-inspired residential property in Mandaluyong City, while Aurelia Residences is a residential development in Bonifacio Global City, Taguig City. Shang Properties launched two new projects last year namely

Laya by Shang Properties and Haraya Residences, both in Pasig City, under the joint venture company Shang Robinsons Properties, Inc., which added over 1,800 residential units to the market. "At Shang Properties, Inc., we are certainly pleased with the health and growth in our core business units but believe that the best lies ahead of us," Ms. Diaz said. In 2023, Shang Properties' profit after tax rose by 53% to P5.5 billion, while group revenue increased by 25% to P9.8 billion. The company said its recovery from the coronavirus pandemic came amid higher revenues from

property development, improved occupancy within the leasing business, and the return of tourism and unrestricted movement post-pandemic. "A promising economic outlook, rising hotel occupancy, and strategic land acquisitions all point the way to an exciting future for Shang Properties," it said. Shang Properties held its annual stockholders' meeting on June 18 at the EDSA Shangri-La Hotel. On Wednesday, its shares declined by 1.03% or four centavos to P3.86 apiece. — **R.M.D. Ochave**

## Meralco says tariff decision resulted from 'transparent,' 'fair' process

MANILA Electric Co.'s (Meralco) tariff for its lapsed period covering the years 2015 to 2022 was a result of a "transparent" and "fair" process, an official said. The statement came after the Energy Regulatory Commission (ERC) earlier announced that it denied motions from various parties filed in 2022 seeking to reconsider Meralco's approved actual weighted average tariff. "The ERC ensured that the whole process for setting Meralco's final rate for the lapsed period was transparent, fair, and complied with all legal requirements and due process as all interested parties were given opportunity to be heard and in fact, submitted their comments and participated throughout the entire proceedings," Jose Ronald V. Valles, Meralco senior vice-president and head of regulatory management, told reporters in a text message on Tuesday.

"All DUs (distribution utilities) and the consumers cannot afford any further delays resulting from the prolonged lag in the resolution of the rate cases of all DUs that are pending at ERC," he said. Mr. Valles added that these delays "cause grave and irreparable injury to all parties, DUs and consumers alike." In an order released on June 14, the ERC denied motions filed in July 2022 by the National Association of Electricity Consumers for Reforms, Inc. and Romeo Junia. The regulator also denied the motion filed by former ERC Commissioner Alfredo J. Non. The motions sought the reconsideration of the June 2022 decision and the dismissal of the case, according to the ERC, arguing that the decision was contrary to the aims and purposes of the ERC's Rules for Setting Distri-

bution Wheeling Rates and the intents of the Electric Power Industry Reform Act. Mr. Valles said no tariff adjustments were given to distribution utilities despite their huge investments in terms of capital expenditure and operating expenses as the ERC has not set the rules to govern the lapsed period. "The ERC correctly exercised its quasi-judicial rate-making power to fix the rate of Meralco, pursuant to the police power granted to it under the law," he 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. — **S.J. Talavera**

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