

Philippine telcos seen to post mixed Q2 results

By Ashley Erika O. Jose
Reporter

LISTED telecommunications (telcos) and information and communication technology (ICT) companies are projected to deliver mixed second-quarter (Q2) results amid rising operational costs and heightened competition, analysts said.

“Telecommunications companies are likely to face a mixed profitability landscape by the second quarter despite increased demand for digital connectivity,” Globalinks Securities and Stocks, Inc. Head of Sales Trading Toby Allan C. Arce said in a Viber message.

Mr. Arce noted that the increasing demand for digital connectivity will drive remote work and digital transformation

across industries, thereby boosting companies’ revenue streams.

“Philippine telecom and ICT firms [are expected] to deliver modestly higher aggregate profits in the second quarter, though the improvement will be uneven across players,” said Jayniel Carl S. Manuel, equity trader at Seedbox Securities, Inc.

Andrei Jorge G. Soriano, research associate at China Bank Securities Corp., said mobile and data revenues may remain pressured as discretionary spending continues to face challenges amid economic uncertainties.

Globe Telecom, Inc. posted a 2.65% rise in first-quarter attributable net income to P6.98 billion, driven by one-off gains, despite a 3.42% decline in combined revenues to P43.76 billion from P45.31 billion a year ago.

Service revenues, which comprise most of Globe’s topline, fell by 3.16% to P39.85 billion from P41.15 billion, while non-service revenues dropped 6.25% to P3.9 billion from P4.16 billion.

Home broadband service revenues remain key growth drivers for telecommunications and ICT firms, Mr. Soriano said.

“With respect to costs, we expect to see elevated depreciation and financing expenses to sustain amid telcos’ respective expansion pipelines,” he added.

PLDT Inc.’s attributable net income fell 8.04% to P9.03 billion in the first quarter, as rising expenses outpaced modest revenue growth.

Total revenues increased 1.95% to P55.28 billion from P54.22 billion in the same period last year.

Service revenues grew 2.34% to P53.42 billion from P52.2 billion, while

non-service revenues declined 8.38% to P1.86 billion from P2.03 billion.

Fiber internet service provider Converge ICT Solutions, Inc. recorded an 18.43% increase in first-quarter attributable net income to P3.02 billion, mainly supported by growth in its residential business.

Converge’s total revenues for the period rose 13.21% to P10.8 billion from P9.54 billion a year earlier.

“Demand for data and enterprise connectivity remains structural, with mobile data traffic still growing in the mid-20% range and fiber subscriptions continuing to climb,” Mr. Manuel said.

He noted this would help offset slower service-revenue growth as consumers become more value conscious.

DITO CME Holdings Corp., operator of DITO Telecommunity Corp., re-

duced its first-quarter attributable net loss to P1.66 billion from P4.11 billion a year ago.

“I would characterise the second quarter as a ‘steady-to-slightly-better’ quarter for Philippine telcos. Core connectivity remains a cash-generating utility, and the BSP (Bangko Sentral ng Pilipinas) rate cut throws them a lifeline on financing costs,” Mr. Manuel said.

Mr. Arce added that telecom and ICT companies are well-positioned to benefit from emerging technologies and artificial intelligence solutions.

“Those with robust digital infrastructure and strong consumer bases could potentially outperform their peers. But sustained profitability growth across the sector hinges on their ability to navigate economic challenges and maintain competitive differentiation,” he said.

DMW breaks ground on its biggest office development in Aseana City

LISTED property developer DM Wenceslao and Associates, Inc. (DMW) broke ground on the first phase of its Aseana Plaza office project in Parañaque City.

Situated within the 107.5-hectare Aseana City development, Aseana Plaza will feature a total gross leasable area (GLA) of 130,000 square meters (sq.m.), making it DMW’s largest commercial undertaking to date.

The initial phase is set to offer approximately 70,000 sq.m. of GLA, the company said in a statement on Tuesday. Upon completion, DMW’s commercial portfolio will expand to over 300,000 sq.m. of GLA.

DMW aims to meet the growing demand for modern office spaces within an integrated urban community. Aseana Plaza will cater to global logistics and

shipping firms, business process outsourcing companies, and traditional corporate headquarters.

It will include a central al fresco plaza connected to the adjacent Parqal greenway.

The project will also link to Aseana City’s forthcoming skywalk system, enhancing walkability and connectivity across the estate.

“We have always envisioned Aseana City as more than just a business district — it’s a community where work, leisure, and daily life intersect,” said DMW Chief Executive Officer Delfin Angelo C. Wenceslao.

“Breaking ground on Aseana Plaza is a major step toward realizing that vision, creating a destination where global industry players and local communities converge.” — **Revin Mikhael D. Ochave**

Metro Retail posts 73% plunge in Q1 income, pushes store expansion

LISTED Metro Retail Stores Group, Inc. saw its first-quarter (Q1) net income fall 73.4% to P13.4 million from P50.3 million last year, weighed down by non-cash charges linked to its expansion program.

Despite the decline, the company is actively expanding its store network, reaching 72 outlets with the opening of a new Metro Value Mart in Talisay City, Cebu last month.

“Through 2025, Metro Retail will continue to elevate customer experience, optimize operations, and strategically expand to strengthen its market position and deliver sustainable growth,” President and Chief Operating Officer Joselito G. Orense said.

Net sales rose 2% to P8.9 billion, driven by growth in food retail and general merchandise, but same-store sales dropped 1.7%.

Blended gross margin improved 4.4% to P1.9 billion, with gross margin as a percentage of sales rising to 21.3% from 20.8%.

Earnings before interest, taxes, depreciation, and amortization (EBITDA) increased 6.1% to P413 million, while operating expenses rose due to higher utilities and labor costs. — **Revin Mikhael D. Ochave**

Maynilad reports positive investor feedback ahead of IPO demand assessment

MAYNILAD Water Services, Inc., the west zone water concessionaire, remains confident despite a slight reduction in the size of its planned initial public offering (IPO) to P45.8 billion.

Maynilad said in a May 19 letter to the Philippine Dealing and Exchange Corp. (PDEX) that it has received positive preliminary investor feedback but that a formal demand assessment for the initial public offering has yet to be conducted.

The letter was sent following PDEX’s request for clarification on reports concerning the IPO’s size.

“We thus remain confident as we proceed to the next phase of the IPO process,” Maynilad said.

“Contrary to what may have been suggested in the articles,

there is currently no indication of weak demand,” it added.

Maynilad said that the IPO still represents at least 30% of its outstanding capital stock, in compliance with its legislative franchise.

“While there has been a slight adjustment in the number of shares to be offered, this reflects a marginal reduction in the shares available for sale and does not change the intended offering size relative to the company’s capital structure,” the company said. — **Revin Mikhael D. Ochave**



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Unilab at 80: Staying the Course, Shaping the Future of Filipino Healthcare

The country’s leading healthcare company sets its sights on innovation, local growth, and broader impact in the years ahead

Unilab Group, the country’s most-trusted pharmaceutical and healthcare conglomerate, marked its 80th year with a bold signal to the market: it is accelerating its transformation from a humble corner drugstore into a future-ready, innovation-driven healthcare leader.

Celebrating its founding anniversary at the PhilSports Arena, the milestone event gathered over 4,000 employees and partners across the Philippines and Southeast Asia. While the program featured a retrospective of Unilab’s growth and milestones, its main message focused squarely on accelerating momentum for the next 20 years as the company approaches its 100th year.

Founded in 1945 during the post-war recovery period, Unilab began as a small drugstore along Sto. Cristo Street in Binondo. Its founder, Jose Y. Campos, and his business partner, Mariano K. Tan, operated with limited capital, a borrowed corner space, and a single shelf for inventory. From those early days, the company grew steadily through hard work, resourcefulness, and a deep understanding of community needs.

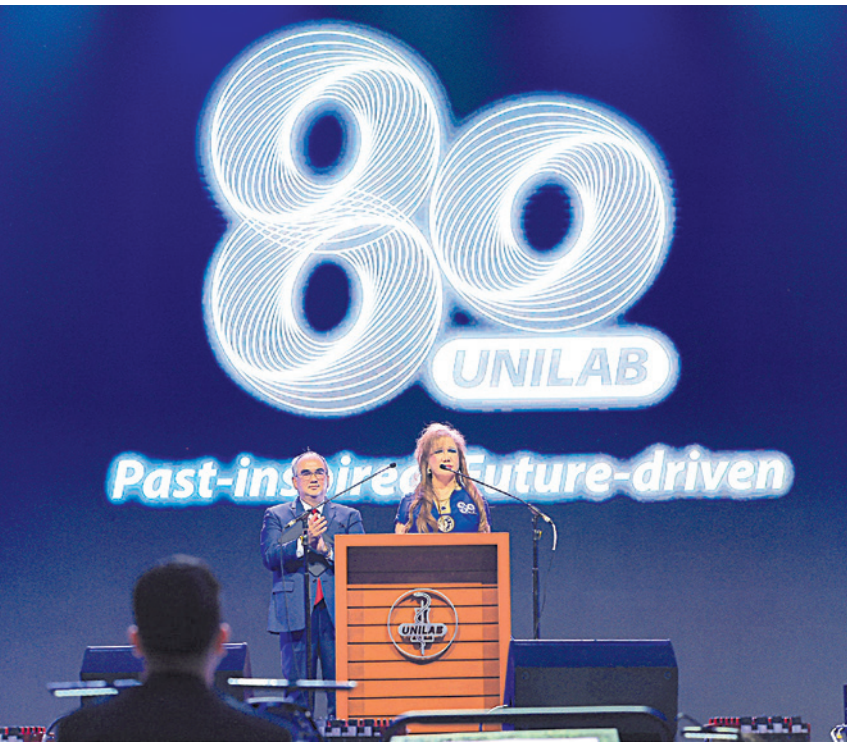
That same entrepreneurial mindset continues to guide the organization today. From its origins in pharmaceutical distribution, Unilab Group invested strategically in building robust manufacturing capabilities to ensure quality, accessibility, and self-reliance in its product supply. Unilab has since evolved into a healthcare conglomerate

As Unilab looks ahead to its 100th year, the company is determined to balance growth with purpose. With its foundations firmly in place and leadership looking outward, Unilab is poised to reinforce its standing not only as an industry leader, but as a partner in working towards healthier Filipinos, one health solution at a time.

with capabilities in branded and generic pharmaceuticals, personal care, health services, and animal health.

Clinton Campos Hess, who formally assumed the role of Group Chairman, outlined the company’s strategic vision for the next decade. This includes deepening its role as a key healthcare player in the region. He emphasized the need to align business growth with social responsibility, particularly in reaching underserved communities.

“We must ensure that in pursuing our mission, no one gets left behind,” Campos Hess said during his speech.



Two Generations of Leadership and Commitment. Clinton Campos Hess and Unilab Group’s Chairman Emeritus, Jocelyn Campos Hess, underscore the mission of Unilab in taking care of the health of the Filipinos.

Campos Hess also outlined Unilab’s three key strategic pillars: Product Solutions, Health Services, and Education, which are expected to drive new business models, enhance consumer access to healthcare, and hold up broader societal goals.

Infrastructure investments have played a critical role in sustaining Unilab’s competitive edge. Over the past decade, the company established several advanced facilities such as the Amherst and Belmont plants, Beaute Et Sante Laboratories, Inc. (BESLI), South-Unilab Material Management Office (SUMMO), and First Pioneer Distribution,

Inc. II (FPDI). These facilities enable high-volume production, quality assurance and control, and industry-compliant storage for specialized therapies including vaccines, oncology, and central nervous system treatments, a testament to Unilab’s commitment to deliver no less than high-quality medicines for the Filipinos.

In addition to business expansion, Unilab has pursued programs that reflect its community-oriented culture. Its 8,000 Hours of Bayanihan campaign encourages employees to collectively log volunteer hours that support health and wellness initiatives nationwide. The campaign reinforces a long-

standing principle within the organization: that success is measured not only by financial performance, but by the lives touched along the way.

The group also reaffirmed its role in policy advocacy through the Unilab Center for Health Policy (UCHP). Formally launched last year, UCHP serves as a platform for research, dialogue, and multi-sectoral collaboration aimed at addressing systemic gaps in Philippine healthcare.

Much of Unilab’s progress over the past decades was credited to the leadership of Jocelyn Campos Hess, who formally stepped down and assumed the title of Chairman Emeritus. During her tenure, Unilab expanded its business lines, broadened manufacturing capabilities, and launched initiatives under the Unilab Foundation to support health education, inclusive employment, and therapeutic care for children.

Despite rising competition in both local and regional markets, Unilab has expressed confidence in the company’s direction. The challenge now, it said, is to scale operations while retaining the core values of husay, malasakit, and bayanihan that have long shaped its culture.

As Unilab looks ahead to its 100th year, the company is determined to balance growth with purpose. With its foundations firmly in place and leadership looking outward, Unilab is poised to reinforce its standing not only as an industry leader, but as a partner in working towards healthier Filipinos, one health solution at a time.