Philippine Stock Exchange index (PSEi) 5,887.58 ▼ 18.26 PTS. ▼ 0.30%

THURSDAY, DECEMBER 4, 2025
BusinessWorld

PSEi MEMBER STOCKS

AC	Ayala Corp.	P448.00	-P5.00	-1.10%
ACEN	ACEN Corp.	P2.39	-P0.04	-1.65%
AEV	Aboitiz Equity Ventures, Inc.	P26.70	-P0.20	-0.74%
AGI	Alliance Global Group, Inc.	P6.70	-P0.19	-2.76%
ALI	Ayala Land, Inc.	P19.96	-P0.29	-1.43%
AREIT	AREIT, Inc.	P42.70	+P0.10	+0.23%
BDO	BDO Unibank, Inc.	P123.10	-P0.90	-0.73%
BPI	Bank of the Philippine Islands	P115.00	——	
CBC	China Banking Corp.	P50.20	-P0.65	-1.28%
CNPF	Century Pacific Food, Inc.	P39.90	-P0.10	-0.25%
CNVRG	Converge ICT Solutions, Inc.	P15.70	-P0.30	-1.88%
DMC	DMCI Holdings, Inc.	P10.32	-P0.02	-0.19%
EMI	Emperador, Inc.	P15.26	-P0.10	-0.65%
GLO	Globe Telecom, Inc.	P1,600.00	-P9.00	-0.56%
GTCAP	GT Capital Holdings, Inc.	P560.00	-P10.00	-1.75%
ICT	International Container Terminal Services, Inc.	P550.50	+P5.50	+1.01%
JFC	Jollibee Foods Corp.	P177.00	-P5.50	-3.01%
JGS	JG Summit Holdings, Inc.	P21.40	-P0.30	-1.38%
LTG	LT Group, Inc.	P14.42	-P0.08	-0.55%
MBT	Metropolitan Bank & Trust Co.	P66.10	-P0.40	-0.60%
MER	Manila Electric Co.	P590.00	——	
MONDE	Monde Nissin Corp.	P5.94	-P0.11	-1.82%
PGOLD	Puregold Price Club, Inc.	P42.05	+P0.15	+0.36%
PLUS	DigiPlus Interactive Corp.	P22.10	-P0.40	-1.78%
SCC	Semirara Mining and Power Corp.	P28.65	+P0.15	+0.53%
SM	SM Investments Corp.	P710.00	+P2.00	+0.28%
SMC	San Miguel Corp.	P77.00	-P2.50	-3.14%
SMPH	SM Prime Holdings, Inc.	P22.15	+P0.05	+0.23%
TEL	PLDT Inc.	P1,277.00	——	
URC	Universal Robina Corp.	P62.00	-P0.50	-0.80%

TV5 cites payment issues in ending ABS-CBN content deal

By Ashley Erika O. Jose
Reporter

TV5 NETWORK, Inc. said ABS-CBN Corp.'s failure to meet its financial obligations under their content supply agreement has become a burden, prompting the company to terminate the deal.

"TV5 recognizes the value of ABS-CBN's well-loved programs to our viewers. However, their failure to meet their financial commitments to us has made it very difficult for us to compensate our own employees, talents, and partners who help deliver these programs to your homes," TV5 Network said in a statement on Thursday.

ABS-CBN confirmed that it received the termination notice issued by TV5 for their five-year content supply agreement signed in 2023. The company said it remains committed to resolving the dispute.

"We have sought additional time to resolve this matter and are working urgently within the 30-day period we have been given. While this timeline is challenging given our current circumstances, we are committed to finding a way to fulfill our obligations — not only to TV5 but to all our partners and stakeholders," ABS-CBN said.

The company also denied that it deliberately withheld payments, saying such claims do not reflect its current financial situation.

"Should this partnership be terminated, we will find ways to reach you, our audiences. Just as we overcame the initial difficulties after losing our franchise, we will not abandon our Kapamilya and will find ways to continue serving you," it added.

TV5 said the agreement required ABS-CBN to remit its share of advertising revenues on time.

"These amounts collected, our share being held by ABS-CBN for TV5, has reached such material value as to severely affect TV5's ability to settle its own obligations," the statement said.

TV5 noted that despite repeated appeals, ABS-CBN has not paid what is due or indicated its intention to do so.

"To be clear, we value the partnership with ABS-CBN and, as part of the same industry, understand ABS-CBN's financial difficulties. But TV5 is also faced with its own challenges. We need the funds owed to us to continue serving you, our viewers. Our leniency, as well as forbearance, must now yield to the realities of this business," TV5 said.

ABS-CBN said the financial challenges stem from the loss of its broadcast franchise, which "significantly reduced" revenues and caused ongoing losses.

"We deeply regret that this action has been taken at this critical juncture in our recovery, particularly as we continue to navigate the unprecedented challenges arising from our franchise loss," ABS-CBN said.

For the third quarter, ABS-CBN's net loss widened to P1.28 billion from P389.87 million a year earlier. Combined revenues rose 19.63% to P3.48 billion, while total expenses fell 7.85% to P4.58 billion.

Globalinks Securities and Stocks, Inc. Head of Sales Trading Toby Allan C. Arce said TV5's termination is a major setback for ABS-CBN's collaborative broadcast strategy and financial growth.

"[It] highlights deep operational and financial tensions between the two networks," Mr. Arce said. "In the near term, the collapse of the deal could weigh on ABS-CBN's expected revenue growth for 2026, as free-to-air partnerships have been critical in expanding audience reach and monetization after the loss of its own broadcast franchise."

He added that the dispute could affect future partnerships, noting that termination may make potential partners more cautious.

"Escrow arrangements, and stricter payment terms likely to become standard in future content-sharing or block time agreements," Mr. Arce said.

ABS-CBN said its transformation into a storytelling company has shown "steady performance improvement."

In June, it projected a return to profitability within 18 months, citing higher advertising revenue and contributions from digital, film, and music operations.

For the nine months to September, ABS-CBN reduced its net loss to P2 billion from P2.41 billion despite lower revenues. Gross revenue fell 3.05% to P11.75 billion, while expenses dropped 10.99% to P13.52 billion. Advertising revenue rose 14.68% to P5.47 billion, while consumer revenue expanded 13.31% to P3.66 billion.

On Thursday, ABS-CBN shares fell by seven centavos, or 2.03%, to close at P3.38 apiece.

TV5 Network is part of MediaQuest Holdings, Inc., whose unit Hastings Holdings, Inc. — under the PLDT Beneficial Trust Fund — holds a majority stake in *BusinessWorld* through the Philippine Star Group.

TOLEDO POWER CO.

Meralco unit explores offtake for 1,200-MW coal plant in Quezon

MERALCO POWERGEN Corp. (MGEN), the power generation arm of Manila Electric Co. (Meralco), is exploring options to secure offtake for the capacity of its planned 1,200-megawatt (MW) coal-fired power project in Quezon province as early as next year.

Speaking to reporters last week, MGEN President and Chief Executive Officer Emmanuel V. Rubio said the company has begun preparing to participate either in a competitive selection process (CSP) or in a baseload capacity auction.

"We're coordinating with the DoE (Department of Energy) the best way to actually get this capacity," Mr. Rubio said.

Under current rules, power suppliers offer capacity through CSPs conducted by distribution utilities via a transparent, least-cost procurement mechanism.

Auctions, meanwhile, are market-based processes designed to secure offtake agreements for power supply.

MGEN, through its subsidiary Atimonan One Energy, Inc., plans to develop a 1,200-MW ultra-supercritical pulverized coal-fired power plant in Quezon.

The Philippine government in 2020 stopped accepting new proposals for coal-fired power projects to improve energy sustainability, reliability, and flexibility.

The Atimonan project, however, obtained a certification confirming that it remains outside the coverage of the moratorium, allowing it to continue securing the remaining permits.

MGEN intends to build the facility using high-efficiency, low-emission (HELE) technology, which operates at higher temperatures and pressures to maximize energy output while reducing fuel consumption.

Once completed, the plant is expected to generate sufficient electricity to supply at least five million households.

"We're expecting that the delivery of this unit is February 2030," Mr. Rubio said.

As of July, MGEN's total net saleable capacity stood at 5,068 MW, which the company expects to double over the next five years through ongoing growth projects, including Atimonan.

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., holds an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Sheldeen Joy Talavera**

SEC proposes tiered public ownership rules for IPO listings

THE Securities and Exchange Commission (SEC) has released for public comment a draft memorandum circular proposing a tiered minimum public ownership framework for companies seeking to list shares on the stock exchange.

The draft circular, issued on Dec. 3, is open for comments until Dec. 23. It seeks to establish a tiered approach to public ownership requirements based on the size of the issuer, balancing factors such as market liquidity, investor protection, capital formation, and market competitiveness.

"A tiered minimum public ownership framework provides a proportionate and market-aligned approach that preserves the long-term benefits of adequate public float while addressing potential constraints in demand absorption for large issuances, thereby supporting capital formation and encouraging more companies to pursue listing in the Philippines," the circular said.

In earlier statements, SEC Chairperson Francisco Ed. Lim said the plan to implement a tiered minimum public float requirement was prompted by the limitations of the current 20% rule, which he described as a "one-size-fits-all" approach that does not account for differences in company market capitalization.

Under the draft rules, companies planning to list on an exchange will be assigned to one of five tiers based on their expected market value at listing.

Tier I companies with a market value of up to P500 million must maintain a minimum initial public float of 33%. Tier II companies valued between P500 million and P1 billion must have at least 25% public float, but not less than P165 million in shares.

Tier III companies with a market value from P1 billion to P50 billion are required to maintain at least 20% public float worth a minimum of P250 million. Tier IV companies valued between P50 billion and P150 billion must have at least 15% public float, valued at no less than P10 billion, while Tier V companies with market value above P150 billion must maintain at least 12% public float worth at least P22.5 billion.

After listing, companies are required to maintain a fixed minimum level of public ownership corresponding to their initial public offering (IPO) tier.

Tiers I, II, and III must maintain at least 20% public ownership, Tier IV at least 15%, and Tier V at least 12%.

The commission said that if public ownership falls below the required level, the company must report the shortfall to the SEC by the next business day, submit a business plan within 10 days, and has up to 12 months to restore the minimum float.

The draft also requires companies to implement internal policies and procedures to monitor minimum public ownership and provide regular reports to the SEC.

Companies must submit a public ownership report and updates on progress within 15 days after each month-end until the public float meets the required minimum.

"Companies who made their IPOs before the effectivity of these rules shall be subject to the maintenance requirement of 20% provided under SEC Memorandum Circular No. 13, series of 2017," the draft memorandum read.

Last month, Mr. Lim told reporters he hopes the draft will be approved in time for January next year.

"Maybe in Q1 or even earlier, but I probably won't be able to accomplish everything this year. At least we can start fresh next year since everything is already in place, right?" he said. — **Alexandria Grace C. Magno**

Globe's ¥20-B loan positions company for 5G growth, BMI says

GLOBE Telecom, Inc.'s ¥20-billion loan signals the telecommunications company's improved debt servicing capacity and positions it to capture growth in 5G, according to a study by BMI, a unit of Fitch Solutions.

"The loan provides liquidity to manage debt maturities while maintaining financial flexibility during this operational transition," BMI said in a report dated Dec. 3.

Last month, Globe announced that it had signed a ¥20-billion (around P7.6 billion) term loan facility with Mizuho Bank, Ltd., a major Japanese commercial bank, to partially finance its capital expenditures (capex), debt refinancing, and other corporate requirements for the year.

BMI said Globe is well-positioned to capture the expected growth in 5G adoption in the Philippines, noting that the company's loan with Mizuho Bank reflects its transition from infrastructure deployment to revenue generation after its investments in 5G technology.

For the three months ending September 2025, Globe reported a 12.79% drop in attributable net income to P5.25 billion from P6.02 billion a year ago, on slightly lower revenues of P44.36 billion, down 1.68% from P45.12 billion.

For the January-to-September period, attributable net income fell 14.04% to P17.69 billion, while revenues declined 2.34% to P131.59 billion.

Globe said it had invested about P31.4 billion in capital expenditure for the first nine months of 2025, down 23% from P41 billion in the same period last year.

The company expects full-year 2025 capex to fall below $1 billion, reflecting a strategic shift toward targeted investments and reinvestment of proceeds from tower sales for the remainder of the year.

Earlier this year, Globe also signed P20 billion in loan facilities with local banks BDO Unibank, Inc. and Metropolitan Bank & Trust Co. to fund its 2025 capex and reduce debt.

"As the company monetizes infrastructure assets including towers and potentially fiber networks, debt financing becomes less critical for core operations," BMI said.

The study also highlighted Globe's initiatives to diversify into financial technology and digital services through its e-wallet platform GCash, noting that this positions the company to grow average revenue per user (ARPU) through revenue streams beyond traditional connectivity.

BMI added that Globe could benefit from the Konektadong Pinoy Act, leveraging its mobile network infrastructure, spectrum holdings, and integrated mobile-fixed offerings to provide services in urban consumer markets. — **Ashley Erika O. Jose**