

Philippine Stock Exchange index (PSEi)

6,018.62

▼ 36.83 PTS.

▼ 0.60%

THURSDAY, MARCH 19, 2026

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P514.00 -P11.00 -2.10%	ACEN ACEN Corp. P2.55 +P0.04 +1.59%	AEV Aboltiz Equity Ventures, Inc. P29.40 -P1.35 -4.39%	ALI Ayala Land, Inc. P18.28 -P0.02 -0.11%	AREIT AREIT, Inc. P38.30 -P1.60 -4.01%	BDO BDO Unibank, Inc. P121.50 +P2.20 +1.84%	BPI Bank of the Philippine Islands P99.00 -P2.00 -1.98%	CBC China Banking Corp. P67.50 -P0.30 -0.44%	CNPF Century Pacific Food, Inc. P36.05 +P2.10 +6.19%	CNVRG Converge ICT Solutions, Inc. P13.24 -P0.10 -0.75%
DMC DMCI Holdings, Inc. P9.75 ---	EMI Emperador, Inc. P15.28 -P0.02 -0.13%	GLO Globe Telecom, Inc. P1,619.00 -P16.00 -0.98%	GTCAP GT Capital Holdings, Inc. P535.00 -P34.00 -5.98%	ICT International Container Terminal Services, Inc. P700.00 -P2.00 -0.28%	JFC Jollibee Foods Corp. P185.00 -P4.30 -2.27%	JGS JG Summit Holdings, Inc. P26.90 +P0.05 +0.19%	LTG LT Group, Inc. P14.34 -P0.18 -1.24%	MBT Metropolitan Bank & Trust Co. P64.35 -P1.45 -2.20%	MER Manila Electric Co. P603.00 -P9.00 -1.47%
MONDE Monde Nissin Corp. P6.10 +P0.22 +3.74%	PGOLD Puregold Price Club, Inc. P40.00 +P1.40 +3.63%	PLUS DigiPlus Interactive Corp. P18.26 +P0.18 +1.00%	RCR RL Commercial REIT, Inc. P6.75 -P0.05 -0.74%	SCC Semirara Mining and Power Corp. P30.00 +P1.20 +4.17%	SM SM Investments Corp. P628.00 +P1.00 +0.16%	SMC San Miguel Corp. P69.95 -P0.05 -0.07%	SMPH SM Prime Holdings, Inc. P19.50 -P0.40 -2.01%	TEL PLDT Inc. P1,300.00 -P5.00 -0.38%	URC Universal Robina Corp. P64.00 -P0.90 -1.39%

SEC's Lim firm on broker-director term limits

SECURITIES and Exchange Commission (SEC) Chairman Francisco Ed. Lim said the proposed 10-year cumulative term limit for broker-directors of an exchange remains firm, while noting that the Commission is open to valid feedback from market participants.

"As far as I'm concerned, the term limits are non-negotiable, but I'm still listening to their comments. If they have a valid comment, we'll consider it," he told reporters on the sidelines of an event last week.

In a draft memorandum circular released on March 3, the Commission said it plans to limit broker-directors, or individuals representing trading participants on an exchange board, to a maximum cumulative service period of 10 years.

The proposal aims to ensure "fair and effective representation" and allow more qualified brokers to bring "new perspectives" to exchange boards.

Mr. Lim also underscored the importance of public consultation on the proposal. "We have to listen to them [the public] and we will discuss it. Not only me, but the En Banc — it's an En Banc decision," he said.

The Commission invited stakeholders to submit com-

ments, suggestions, and inputs on the draft until March 19, 2026.

Under the proposed guidelines, a broker-director may be elected for a one-year term. After serving a cumulative period of five years, whether consecutive or intermittent, the director must observe a mandatory two-year cooling-off period before becoming eligible for re-election.

After completing the cooling-off period, a director may serve an additional term of up to five years, provided the overall 10-year cumulative limit is not exceeded.

If implemented, the proposal would affect several long-serving broker-directors at the Philippine Stock Exchange (PSE), including Ma. Vivian Yuchengco (28 years), Eddie Gobing (25 years), Wilson Sy (12 years), and Diosdado Arroyo (six years).

Mr. Lim said the draft does not violate existing laws. "I'm very sure of that. I'm not a lawyer for nothing," he said.

Market participants said the proposal could help balance board renewal with continuity.

"I am sure they're [the SEC] just following the Global standards to make sure we are in compliance to avoid being downgraded, similar to what happened to Indonesia last month," COL Financial Group, Inc. Chairman

Edward K. Lee said in a Viber message.

"The SEC's proposal aims to keep the PSE board fresh without losing too much experience. By limiting broker-directors to a maximum of 10 years total and requiring a two-year break after five years of service, the SEC creates more chances for new people with fresh/up to date ideas to govern and contribute," BDO Securities Corp. President John Tristan D. Reyes said in a Viber message.

"At the same time, the rules still allow experienced directors to serve for a reasonable amount of time to share their knowledge and even return after a break, so boards don't lose all their expertise at once and ensure continuity," he added.

The Shareholders' Association of the Philippines (SharePHIL) also expressed support for the proposed circular imposing a 10-year cumulative term limit and a cooling-off period for broker-directors of an exchange.

"SharePHIL welcomes the Commission's initiative to strengthen good corporate governance and protect minority investors," the organization said in a statement on Friday.

"By instituting these limits, the SEC is laying the groundwork for

meaningful board refreshment, preventing entrenchment, and ensuring that new perspectives are consistently integrated into the governance structure of the PSE," it added.

SharePHIL said it supports measures that promote board renewal and investor confidence, and committed to work with regulators and stakeholders to help develop a fair capital market. It also noted that the proposal aligns with International Organization of Securities Commissions (IOSCO) principles on board terms and the Revised Corporation Code's mandate to adopt internationally accepted best practices.

Similar views were expressed by other business groups, including the Financial Executives Institute of the Philippines (FINEX), Institute of Corporate Directors (ICD), Management Association of the Philippines (MAP), Capital Markets Development Foundation, Inc. (CMD-FI), and the Insurance Brokers Association of the Philippines (IBAP).

SharePHIL also called on listed companies, brokers, institutional investors, and the public to participate in the SEC's consultation process. — **Alexandria Grace C. Magno**

OUTLIER

DigiPlus shares fall on regulatory concerns

By Pierce Oel A. Montalvo
Researcher

SHARES of DigiPlus Interactive Corp. declined last week amid investor concerns over the sustained impact of regulatory changes on its online gaming operations, despite the company's declaration of P3.8 billion in dividends and efforts to diversify into offline gaming.

Data from the Philippine Stock Exchange (PSE) showed DigiPlus as the seventh most actively traded stock during the week, with 58.27 million shares worth P1.06 billion changing hands.

Shares of the digital gaming firm closed at P18.26 on Thursday, down 4.3% from P19.08 previously. This underperformed the benchmark PSE index (PSEi), which declined by 0.67%, while the services sector index rose by 1.27%.

Year to date, the stock posted a 12.72% gain, outperforming the PSEi's 0.57% decline but lagging behind the services sector's 15.72% increase.

Trading was suspended on Friday due to the Eid'l Fitr holiday.

In a disclosure on Tuesday, DigiPlus reported flat net income of P12.6 billion for full-year 2025. Total revenues rose by 12% to P84.2 billion, while earnings before interest, taxes, depreciation, and amortization (EBITDA) increased by 2% to P14.2 billion.

However, fourth-quarter performance weakened. Net income declined by 36% year on year to P2.5 billion, while revenues fell by 27% to P17.3 billion and EBITDA dropped by 32% to P3.1 billion.

The company attributed the fourth-quarter decline to the continued impact of the third-quarter delinking of electronic wallet (e-wallet) in-app access to licensed online gaming platforms, a regulatory adjustment that temporarily reduced user activity across its digital platforms.

In August, the Bangko Sentral ng Pilipinas (BSP) directed e-wallets, banks, and other supervised institutions to remove in-app gambling access. The central bank also proposed measures such as biometric identification checks, daily transaction limits, time-based payment restrictions, and tools for spending caps, voluntary breaks, and self-exclusion.

"DigiPlus flat earnings was driven by the recent regulatory issues which pushes the gaming platforms to remove their sites on online tech platforms including GCash," said Jash Matthew M. Baylon, equity analyst

at The First Resources Management and Securities Corp.

"On the positive note, the delinking of its site on GCash opens opportunities for the firm as it develop its own application," he added.

Despite regulatory headwinds, DigiPlus maintained its dividend policy. The board approved a cash dividend of P3.8 billion, equivalent to 30% of full-year 2025 consolidated net income attributable to shareholders, or P0.83 per common share.

The dividends will be payable on or before April 15, 2026 to shareholders on record as of April 1, 2026.

The company ended 2025 with P23.4 billion in cash and cash equivalents, while debt stood at P745.8 million.

During the year, DigiPlus invested P12 billion in International Entertainment Corp. (IEC), a Hong Kong-listed firm that owns and operates New Coast Hotel Manila, a Philippine Amusement and Gaming Corp. (PAGCOR)-licensed integrated resort in Malate, Manila.

The investment provides DigiPlus an option to acquire a 53.89% stake in IEC, establishing what the company described as "a potential strategic offline platform designed to complement its digital network."

Jeff Radley C. See, head trader at Mercantile Securities Corp., said the move into offline gaming could serve as a hedge against regulatory risks.

"The move of DigiPlus to invest in the offline gaming can safeguard them for future restrictions/regulations that the government might impose," Mr. See said.

Mr. Baylon added that "the recent regulatory issue may also push DigiPlus to expand on offline gaming as it may cater traditional casino players and diversifying its income flow preparing for the potential headwinds on online gaming brought by regulatory pressures."

DigiPlus also advanced its overseas expansion plans in 2025, establishing a Singapore hub for strategic partnerships and corporate functions. The company allocated P660 million in capital expenditures for its planned entry into Brazil and filed a license application with the Western Cape Gambling and Racing Board in South Africa.

However, Mr. Baylon said external factors may affect expansion timelines.

"We believe that DigiPlus expansion plans overseas could be hampered by the current tensions in the Middle East as the local currency continued to weaken which may affect its expansion costs," he said.

MPTC extends toll rebate program to SCTEX, CAVITEX

METRO PACIFIC TOLLWAYS Corp. (MPTC) has extended its KaBiyahe Rebate Program to additional expressways following a directive from the Department of Transportation (DoTr) to help mitigate the impact of rising fuel prices on the transport sector.

In partnership with the Bases Conversion and Development Authority (BCDA) for Subic-Clark-Tarlac Expressway (SCTEX) and the Philippine Reclamation Authority (PRA) for Manila-Cavite Expressway (CAVITEX), MPTC said the program will run from March 23 to May 22.

"The extension supports the government's call to provide temporary financial relief to the transportation sector," MPTC said in a statement on Friday last week.

"It aims to stabilize transportation costs for essential goods, support commerce, and economic activity amid rising fuel costs."

Under the program, MPTC will provide rebates to eligible Class 2 public utility buses

(PUBs), modernized jeepneys, and Class 3 vehicles across toll roads operated by North Luzon Expressway (NLEX), SCTEX, and CAVITEX (R1 Expressway and Extension), effectively reverting toll rates to pre-adjustment levels.

The company said Class 3 vehicles qualify if they are valid Easytrip subscribers in good standing, maintain sufficient account balance, and are not enrolled in other MPTC discount programs such as toll exemptions for agricultural trucks.

For PUBs and modernized jeepneys, eligibility requires operators to be accredited by the Land Transportation Franchising and Regulatory Board (LTFRB), enroll in the KaBiyahe program by submitting the required documents, maintain Easytrip prepaid accounts in good standing with sufficient load, and not be enrolled in other toll discount programs on MPTC roads.

Applications for PUBs and modernized jeepneys are open from March 23 to April 5.

MPTC said qualified transport operators with traffic violations or citations during the program period will be disqualified from receiving rebates.

Meanwhile, Class 1 public utility jeepneys (PUJs) on northern routes will continue to be covered by the PASSADA program. For CAVITEX, the Abante program will be reactivated for two months, offering rebates equivalent to the difference between current toll rates and those prior to the latest adjustment.

MPTC is the tollways unit of Metro Pacific Investments Corp. (MPIC), one of the three key Philippine subsidiaries of First Pacific Co. Ltd., alongside Philex Mining Corp. and PLDT Inc.

Hastings Holdings, Inc., a unit of the PLDT Beneficial Trust Fund's MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Alexandria Grace C. Magno**

Regulator revokes registrations of Valtoro Spartan, Recson

THE Securities and Exchange Commission (SEC) has revoked the certificates of incorporation of Valtoro Spartan Consultancy Corp. and Recson Land Ventures and Realty Development Corp., and imposed administrative fines for the unauthorized solicitation of investments from the public.

In a statement on Friday, the SEC's Enforcement and Investor Protection Department (EIPD) said it separately canceled the corporate registrations of the two companies for violations of Section 44 of Republic Act (RA) No. 11232, or the Revised Corporation Code (RCC); Sections 8.1, 26, and 28.1 of RA No. 8799, or the Securities Regulation Code (SRC); and Presidential Decree No. 902-A.

Although registered with the SEC, an EIPD investigation found that both companies sold secu-

rities in the form of investment contracts without the required licenses from the Commission.

The RCC prohibits corporations from exercising powers beyond those stated in their articles of incorporation (AoI).

Sections 8.1 and 28.1 of the SRC prohibit the sale or offering of unregistered securities and require brokers, dealers, or salespersons to register, while Section 26 prohibits any person from engaging in fraudulent transactions related to the purchase or sale of securities.

The SEC fined Valtoro Spartan, along with its incorporators, stockholders, and officers, P1 million each for unauthorized securities offerings. It also held three incorporators and the corporate secretary administratively liable for investment fraud and disqualified them from serving as

directors, trustees, or officers for five years.

"Considering that the act of offering investment to the public is not included in the primary purpose of [Valtoro Spartan], the declared primary purpose was done with fraudulent intent due to the large disparity of its declarations in the AoI and its actual business operation," the order read.

Valtoro Spartan was found to have offered five lock-in subscription plans through its website and social media, promising returns ranging from 7.5% to 912.5% over periods of 15 days to 12 months, with a minimum investment of \$50.

It also offered a 5% direct referral bonus and 1% multi-level commissions of up to the 10th level based on invitees' investments.

In January 2026, the SEC issued an advisory warning the

public against investing in Valtoro Spartan.

Meanwhile, the SEC ordered Recson Land and its incorporators to pay a P1-million administrative fine for offering unregistered securities without a license.

"Considering that nowhere is it stated in its primary purpose that [Recson Land], is authorized to engage in the selling or offering for sale of securities to the public... the activity of [the company], of selling or offering for sale of investments is considered an ultra vires act and therefore constitute serious misrepresentation," the order read.

Recson Land was found to have enticed individuals to invest at least P30,000 per share to co-own a hostel, with assurances of steady passive earnings over a 30-year period. — **Alexandria Grace C. Magno**

FULL STORY



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