

## Philippine Stock Exchange index (PSEi)

6,721.08

▼ 10.17 PTS.

▼ 0.15%

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BusinessWorld

## PSEi MEMBER STOCKS

<b>AC</b> Ayala Corp. P738.00 +P0.50 +0.07%	<b>ACEN</b> AC Energy Corp. P7.40 +P0.18 +2.49%	<b>AEV</b> Aboltiz Equity Ventures, Inc. P50.70 +P0.10 +0.20%	<b>AGI</b> Alliance Global Group, Inc. P11.42 -P0.40 -3.38%	<b>ALI</b> Ayala Land, Inc. P32.10 +P0.05 +0.16%	<b>AP</b> Aboltiz Power Corp. P31.15 -P1.00 -3.11%	<b>BDO</b> BDO Unibank, Inc. P128.00 -P2.00 -1.54%	<b>BPI</b> Bank of the Philippine Islands P93.90 -P1.00 -1.05%	<b>CNVRG</b> Converge ICT Solutions, Inc. P27.30 -P1.50 -5.21%	<b>EMP</b> Emperador, Inc. P19.82 +P0.32 +1.64%
<b>GLO</b> Globe Telecom, Inc. P2,274.00 +P4.00 +0.18%	<b>GTCAP</b> GT Capital Holdings, Inc. P520.00 +P16.00 +3.17%	<b>ICT</b> International Container Terminal Services, Inc. P215.60 ---	<b>JFC</b> Jollibee Foods Corp. P220.00 +P5.00 +2.33%	<b>JGS</b> JG Summit Holdings, Inc. P55.70 ---	<b>LTG</b> LT Group, Inc. P8.69 +P0.17 +2.00%	<b>MBT</b> Metropolitan Bank & Trust Co. P50.05 -P1.05 -2.05%	<b>MEG</b> Megaworld Corp. P2.79 -P0.07 -2.45%	<b>MER</b> Manila Electric Co. P350.00 -P2.40 -0.68%	<b>MONDE</b> Monde Nissin Corp. P13.40 +P0.42 +3.24%
<b>MPI</b> Metro Pacific Investments Corp. P3.82 +P0.02 +0.53%	<b>PGOLD</b> Puregold Price Club, Inc. P33.00 ---	<b>RLC</b> Robinsons Land Corp. P19.10 -P0.02 -0.10%	<b>SECB</b> Security Bank Corp. P104.50 +P1.50 +1.46%	<b>SM</b> SM Investments Corp. P849.00 -P2.50 -0.29%	<b>SMC</b> San Miguel Corp. P106.50 +P0.20 +0.19%	<b>SMPH</b> SM Prime Holdings, Inc. P35.00 ---	<b>TEL</b> PLDT, Inc. P1,865.00 -P1.00 -0.05%	<b>URC</b> Universal Robina Corp. P104.80 +P2.30 +2.24%	<b>WLCON</b> Wilcon Depot, Inc. P27.10 -P0.90 -3.21%

## MREIT earnings rise 18% after recent acquisitions

MREIT, Inc., the real estate investment trust company of Megaworld Corp., announced on Tuesday that its distributable income in the first three months of the year increased by 18% to P639 million quarter on quarter, driven by recent acquisitions.

“Our solid performance in the first quarter of 2022 affirms our efforts to sustain MREIT’s growth via a combination of organic and inorganic means. The combination of rent escalation, steady occupancy, and implementation of our ac-

quisition plans puts us on track to deliver on our targeted returns for our shareholders in 2022,” MREIT President and Chief Executive Kevin L. Tan said in a statement.

Meanwhile, the company’s net income registered at P687.2 million with revenues at P901.6 million. It did not give comparative numbers.

Last December, MREIT completed the acquisition of four properties worth P9.1 billion, expanding its portfolio’s gross leasable area (GLA) by 25% to 280,000 square

meters (sq.m.) from 224,000 sq.m. during its initial public offering in September last year.

As of end-March 2022, the company’s portfolio value stood at P59.3 billion, with an occupancy rate averaging at 96%.

MREIT also announced its plan to acquire additional four prime properties worth P5.3 billion.

“The acquisition will be undertaken via a property-for-share swap and is subject to the approval of the Securities and Exchange Commission,” the company said.

Once completed, the acquisition will expand its portfolio GLA by 16% to 325,000 sq.m.

“We hope to complete the acquisition within the month of May. We look forward to the completion of this deal as it will further cement MREIT’s presence in the Fort Bonifacio area, which continues to command one of the highest rental rates in the Philippines today,” Mr. Tan said.

Last week, the real investment trust declared dividends amount-

ing to P0.243 per share to its shareholders based on its income for the first quarter of 2022.

The company aims to declare dividends amounting to P1.00 per share for 2022, or 6% higher than originally contemplated in the company’s REIT plan.

“This target does not yet consider the upside impact of the acquisitions that MREIT is contemplating this year,” it added.

The company’s principal investment strategy is to invest in income-generating real estate.

“To meet the investment criteria, a potential new property should be located in a prime location in either Metro Manila or key provinces in the Philippines; be primarily (but not exclusively) focused on Grade A office and retail properties; and have stable occupancy, tenancy, and income operations,” it said.

At the stock exchange on Monday, MREIT shares were unchanged at P17.50 apiece. — **Luisa Maria Jacinta C. Jocson**

## More investments against fraud sought amid vetoed SIM card registration bill

AS the proposed measure mandating the registration of subscriber identity module or SIM cards was vetoed, financial institutions may have to invest more to prevent rising fraud risks for consumers, analysts said.

“This legislative setback would mean that the financial services industry would have to step up investments in modern fraud detection methods that leverage advances in machine learning and artificial intelligence in order to prevent or detect fraudulent behavior,” Swarup Gupta, industry manager at The Economist Intelligence Unit (EIU), said in an e-mail.

Across the world, 160 countries have already implemented measures that require the registration of SIM cards, said Kaspersky General Manager for Southeast Asia Yeo Siang Tiong.

He said the Philippines is the lone country in Southeast Asia — and joins the likes of Canada, US and UK — that do not have such laws.

“Based on existing legislations around the world, SIM-card registration as proposed is a measure that can help deter cybercriminals from committing fraudulent activities but it’s not a ‘be-all-end-all’ solution,” Mr. Yeo said in an e-mail.

Financial technology firms and digital industries are fully supporting the vetoed SIM card registration bill.

“This [measure] will have a significant impact in reducing fraud. Consumer protection is key in keeping trust in digital financial transactions,” FinTech Alliance.ph Chairman Angelito M. Villanueva said in a Viber message.

President Rodrigo R. Duterte last month vetoed the measure that would require the mandatory registration of SIM cards, saying the matter needs a more thorough study. He did not agree with the measure’s provision to require social media networks to secure real names and phone numbers of account users.

The bill was supposedly meant to help fight fraud as well as terrorism and criminal activities.

Since the start of the pandemic, text scams have risen to target Filipinos facing unemployment through fake job offers. Some consumers have been victims of fraud

scams that resulted in compromised transaction accounts and fund losses.

The Bankers Association of the Philippines (BAP) has said that unauthorized withdrawals and transfers reached more than P1 billion in 2021. This came amid the increase in cybercrime incidents along with the rise in digital transactions during the pandemic.

During the campaign season, text messages vouching for certain candidates have also been circulating.

In the absence of a state-mandated SIM card registration, financial institutions will have to compensate to ensure checks are in place in preventing fraud, EIU’s Mr. Gupta said.

“They [financial institutions] would also have to prepare to deal with customer dissatisfaction and allocate significant funds towards educating current and prospective customers about methods to protect their data,” he said.

“These are steps that they would have had to take in any case, but the effort and expenditure go up substantially if authorities fail to enact and implement such legislation,” Mr. Gupta added.

Beyond the legislation and infrastructure, educating the people is also important in guarding against cybersecurity risks in the financial system, Kaspersky’s Mr. Yeo said. He said this is crucial as culprits continue to level up attacks amid continued developments in technology.

“Policy makers and the financial industry should look into strategies that help in securing technology by design, enforce cybersecurity law on an international level, and offer a high level of cybersecurity education both to employees and the public,” Mr. Yeo said.

Industry players have been partnering to fight against scammers that target financial consumers. In March, UnionBank of the Philippines, Inc. and Globe Telecom, Inc. partnered to allow disclosure of personal information when needed in order to aid fraud investigation.

The BAP also partnered with the Department of Justice in February for cybersecurity information sharing and training. — **Luz Wendy T. Noble**

## Manila Mining plans P519-million stock rights offer

MANILA Mining Corp. said it is eyeing a stock rights offering amounting to P519.2 million to fund its exploration program, administrative costs, and settle trade payables and accruals.

It plans to offer 51,917,357,740 common shares of the company, with a par value of P0.01 per share, consisting of 31,159,217,274 class A shares and 20,758,140,466 class B shares.

“The net proceeds from the offer, after costs and fees of about P11.75 million, will be used by the company to fund its exploration program, administration costs,

and settle trade payables and accruals,” it said in its prospectus.

The offer period will run from May 16 to 20, with a listing date of June 20.

The company tapped Penta Capital & Investment Corp. as the underwriter.

“The offer shares shall be considered issued upon approval of Manila Mining’s application for increase of authorized capital stock with the Securities and Exchange Commission,” the company added.

According to its prospectus, the company is currently not in operation.

“It stopped its mining and milling operations on July 25, 2001 due to the expiration of the Temporary Authority to construct and operate Tailings Pond issued by the Environmental Management Bureau. Thereafter, activities have been limited to exploration and to securing the company’s assets,” it read.

Manila Mining was incorporated in 1949 to primarily engage in the mining and exploration of metals.

The firm had two mining lease contracts with the government

located in Surigao del Norte and currently has three other mineral production sharing agreement applications covering locations in Surigao del Norte and Agusan del Norte.

It is an affiliate of Lepanto Consolidated Mining Co. and has one subsidiary, the Kalayaan Copper-Gold Resources, Inc., which it owns 95% with Philex Mining Corp. owning the rest.

At the stock exchange on Monday, Manila Mining shares ended lower by 3% at P0.0097 apiece. — **Luisa Maria Jacinta C. Jocson**

## CCLEX to ‘slowly’ boost toll road group’s earnings

METRO Pacific Investments Corp. (MPIC) expects that the opening of the Cebu-Cordova Link Expressway (CCLEX) will gradually boost the earnings of its toll roads business starting this year, its chairman said.

“It will impact the earnings of the tollways group starting this year, [but] not in a major way because the traffic will slowly, gradually build up,” MPIC Chairman Manuel V. Pangilinan told reporters last week.

“It’s a new market for us and, in a way, Cebuanoes are not used to paying tolls... So, this will be a new arrangement for them, and we don’t know how they will react to it,” he added.

The 8.9-kilometer expressway was inaugurated on April 27. Vehicles classified under Classes 1 to 3 are now allowed to use the expressway, while motorcycles under 400cc will be allowed to use it only by July this year, Cebu Cordova Link Expressway Corp. (CCLEC) said in a statement.

The approved toll rates range from P90 to P270, depending on the vehicle type.

“The motoring public is asked to drive at a maximum speed of 60 kilometers per hour (kph). The CCLEX is designed for maximum speed of up to 80 kph, but the CCLEC is implementing a 60 kph limit during initial operations as part of safety measures because motorists are still not familiar with the expressway,” the company said.

## Toyota recalls some hybrid RAV4, Lexus NX for stability control issue

TOYOTA Motor Philippines Corp. (TMP) has issued a recall or special service campaign on 132 officially sold Lexus NX and RAV4 hybrid electric vehicle (HEV) units due to an issue with their stability control system.

TMP said in an advisory released via the website of the Department of Trade and Industry (DTI) on May 2 that the special service campaign covers 40 Lexus NX HEV units from the production period of Nov. 17, 2021 to March 31, 2022 and 92 RAV4 HEV

units from the production period of Dec. 1, 2021 to April 1, 2022.

“We will perform reprogramming on [the] Brake Actuator ECU. The remedy will be performed at no cost to our customers,” said Bernardino C. Arevalo, TMP first vice-president for customer service operations of the marketing division, in the advisory dated April 20.

According to the car manufacturer, the covered vehicles are equipped with a vehicle stability control (VSC) system that is op-

erated by a skid control ECU with a specific software logic.

However, due to an incorrect programming of the skid control ECU software, the VSC will not return to the default “on” setting at any subsequent ignition cycle after a particular set of inputs from the driver.

TMP said the issue can happen if the driver manually turns off the VSC and the ignition is turned off and then turned back on while the brake pedal is still depressed.

The car manufacturer said the issue could increase the risk of a crash in certain driving conditions.

“If VSC does not return to the default ‘on’ setting because the precise operating inputs were carried out and the driver also does not recognize the warning light to manually reactivate the VSC system, then operating the vehicle with an inoperative VSC system could increase the risk of a crash in certain driving conditions,” the advisory said. — **Revin Mikhael D. Ochave**



CEBU-CORDOVA Link Expressway (CCLEX)

BW FILE PHOTO

CCLEC, a subsidiary of Metro Pacific Tollways Corp., the tollways arm of MPIC, signed a concession agreement with Cebu City and Municipality of Cordova in 2016.

CCLEC was granted concession rights to design, finance, construct, operate and maintain the CCLEX, including the right to collect toll fees over a 35-year concession period (including the construction period).

“Work on the CCLEX started on July 5, 2018, with ceremonies marking the begin-

ning of civil works. It is MPTC’s first toll road project outside Luzon,” the company said.

MPIC is one of three key Philippine units of First Pacific, 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 stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Arjay L. Balinbin**