

Philippine Stock Exchange index (PSEi)

6,434.24 ▲ 28.74 PTS. ▲ 0.44%

MONDAY, AUGUST 8, 2022

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P715.00 +P18.00 +2.58%	ACEN AC Energy Corp. P8.90 +P0.04 +0.45%	AEV Aboitiz Equity Ventures, Inc. P57.30 -P0.90 -1.55%	AGI Alliance Global Group, Inc. P09.10 -P0.21 -2.26%	ALI Ayala Land, Inc. P25.20 -P0.70 -2.70%	AP Aboitiz Power Corp. P31.40 +P0.40 +1.29%	BDO BDO Unibank, Inc. P117.90 +P1.00 +0.86%	BPI Bank of the Philippine Islands P96.50 +P0.75 +0.78%	CNVRG Converge ICT Solutions, Inc. P20.00 ---	EMI Emperador, Inc. P19.14 +P0.12 +0.63%
GLO Globe Telecom, Inc. P2,070.00 +P60.00 +2.99%	GTCAP GT Capital Holdings, Inc. P454.60 +P2.80 +0.62%	ICT International Container Terminal Services, Inc. P184.00 -P0.60 -0.33%	JFC Jollibee Foods Corp. P214.80 ---	JGS JG Summit Holdings, Inc. P55.00 +P1.25 +2.33%	LTG LT Group, Inc. P8.53 +P0.03 +0.35%	MBT Metropolitan Bank & Trust Co. P48.90 +P1.20 +2.52%	MEG Megaworld Corp. P2.23 -P0.03 -1.33%	MER Manila Electric Co. P319.80 +P3.80 +1.20%	MONDE Monde Nissin Corp. P16.12 +P0.32 +2.03%
MPI Metro Pacific Investments Corp. P3.62 +P0.09 +2.55%	PGOLD Puregold Price Club, Inc. P31.70 +P0.05 +0.16%	RLC Robinsons Land Corp. P17.70 +P0.70 +4.12%	SCC Semirara Mining and Power Corp. P39.50 -P1.50 -3.66%	SM SM Investments Corp. P778.00 -P2.00 -0.26%	SMC San Miguel Corp. P100.50 ---	SMPH SM Prime Holdings, Inc. P36.60 -P0.10 -0.27%	TEL PLDT, Inc. P1,743.00 +P33.00 +1.93%	URC Universal Robina Corp. P124.00 +P1.40 +1.14%	WLCON Wilcon Depot, Inc. P27.55 +P0.05 +0.18%

DITO files competition complaints vs Globe, Smart

By Arjay L. Balinbin
Senior Reporter

DITO Telecommunity Corp. announced on Monday that it filed complaints with the Philippine Competition Commission (PCC) against PLDT, Inc.'s Smart Communication, Inc. and Globe Telecom, Inc. for "failing to provide sufficient interconnection capacity" to allow phone calls from its subscribers.

The complaints were filed on "Monday morning," DITO Chief Administrative Officer Adel A.

Tamano told reporters during a gathering in Taguig City.

PCC Officer-in-Charge Chairperson Johannes Benjamin R. Bernabe confirmed this in an e-mailed statement, saying DITO had filed two separate complaints against Globe and Smart "for possible anti-competitive practice in their interconnection agreements."

"Interconnection is an essential component of the telecommunications industry as it allows interoperability and exchange of calls, SMS (short message service), and other information from one network to another," he noted.

The PCC official also said the commission has 10 days to decide whether or not to give due course to the complaint.

"If given due course, our Competition Enforcement Office will proceed to investigate the charges and if it subsequently finds sufficient basis, file with the Commission en banc a Statement of Objections against the allegedly erring entities," Mr. Bernabe added.

DITO's Mr. Tamano said the third telco player "has been trying to fix the problem" with Globe and Smart "for almost a year."

The National Telecommunications Commission (NTC) requires an interconnection quality with a failure rate of no more than 1%, DITO Chief Technology Officer Rodolfo D. Santiago said.

"According to the NTC, there should only be one unsuccessful call out of 100 calls. The status is that 70 to 80 out of 100 calls are unsuccessful," he added.

When asked if DITO was pursuing damages, Mr. Tamano responded: "We are not asking money from you. You only have to interconnect us."

"It's about interconnection, which is mandated by law. They're not supposed to stop that," he noted.

He said that poor interconnection quality hinders DITO's growth. The company aims to capture 12 million users this year.

"It becomes very clear to us that it has been an abuse of their dominant position," Mr. Tamano added.

In an e-mailed statement, the PLDT group said: "We are yet to receive a copy of the complaint, but we can assure the government and the public that PLDT and Smart have always supported and ensured fair competition in the telco industry."

Maria Yolanda C. Crisanto, Globe's chief sustainability and corporate communications officer, said separately: "We don't have a copy of the complaint yet. Until such time, we will refrain from issuing a statement. Globe reiterates that it has always advocated for fair business practices and competing on a level playing field."

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a stake in *BusinessWorld* through the Philippine Star Group, which it controls.

ACEN targets 20-GW renewable energy capacity by 2030

ACEN Corp. announced on Monday that it has adopted a new corporate vision and strategy that targets 20 gigawatts (GW) of attributable renewables capacity by 2030.

"We are now facing a global energy crisis, and the elevated fuel prices are compounding the tight power supply situation in the country. The world needs to accelerate the energy transition, and the country needs new capacity urgently," said ACEN Chairman Fernando M. Zobel de Ayala, in a press release.

ACEN said the company's "bold aspiration" to boost its growth plan by

six times from its current renewable energy capacity of 3.4 GW is achievable by 2030.

Currently, ACEN has 18 GW of pipeline projects across the region.

The company also noted that in terms of technology buildup, solar and wind will remain its core energy technologies, complemented by investments in new technologies such as battery energy storage, floating solar, and offshore wind.

Eric T. Francia, president and chief executive officer of ACEN, said the entire organization is committed to

"ACEN 2030," its vision to reach 20 GW of renewables by 2030.

"It is an aggressive goal, though we believe that we have the right elements to succeed. We have a strong balance sheet, robust pipeline, strong partnerships, and a highly energized organization," he said.

ACEN, the Ayala group's listed energy platform, also said that it plans to "aggressively" expand its investments in Australia, which is seen to be its second-largest market within the decade.

The company also plans to expand its presence in Vietnam, Indonesia,

and India through strategic partnerships.

"The Philippines will remain as the core market, which currently accounts for 40% of total capacity, and is expected to remain at this level," it said.

ACEN aspires to be the largest listed renewables platform in Southeast Asia. At present, renewable energy sources account for 87% of its attributable capacity.

On Monday, shares in the company inched up by 0.45% or P0.04 to finish at P8.90 apiece on the stock exchange. — **Ashley Erika O. Jose**

Eagle Cement income down 34% to P1.3B

EAGLE Cement Corp. registered a 34.2% decrease in its attributable net income to P1.3 billion in the second quarter as production costs increased due to surging prices and supply chain difficulties.

In its quarterly financial report on Monday, the company's topline rose by 18.3% to P6.85 billion for the three months ending June from P5.79 billion in the previous year.

It said the increase in revenues "was offset by higher production cost due to surge in prices triggered by the Russia-Ukraine situation and the recent frequent and wider ranging lockdowns in various manufacturing hubs causing bottlenecks in global supply chains."

Operating expenses rose by 29.4% in the second quarter to P735.73 million and climbed by 35.3% in the first half to P1.45 billion.

"Operating expenses likewise increased by 35% largely due to higher freight costs attributable to sales volume growth and spike in oil prices, increase in warehousing expenses, personnel costs and higher spending on advertising and promotions expenses," the company said.

In the first half of the year, the company's income reached P2.97 billion, lower by 19.7% than last year's P3.7 billion.

Revenues in the first semester reached P13.68 billion, 23.7% higher than last year's P11.06 billion.

Eagle Cement is primarily engaged in manufacturing, marketing, selling, and distributing cement products.

On Monday, its shares rose by 0.56% or P0.08 to P14.40 apiece. — **Justine Irish D. Tabile**

AboitizPower, foreign partners explore 3,000-MW offshore wind

ABOITIZ Power Corp. has partnered with two foreign entities, with the support of the United States Trade and Development Agency (USTDA), to explore the feasibility of developing up to 3,000 megawatts (MW) of offshore wind projects in the Philippines.

In a press release on Monday, Singapore-based Clime Capital Management Pte. Ltd. said the consortium with AboitizPower and Rocky Mountain Institute (RMI) is launching a feasibility study that aims to complement existing research on wind power.

It quoted AboitizPower President and Chief Executive Officer Emmanuel V. Rubio as saying: "It is our goal to contribute to our country's energy transition journey by exploring more zero-emissions indigenous energy sources. This offshore wind feasibility study is a step in the right direction as we further diversify our extensive renewable energy portfolio to achieve our goal."

AboitizPower will be the project lead in the pre-feasibility assessment and wind data collection phase to unlock the offshore wind market, marshal resources to prepare the supply chain in case offshore wind proceeds with the development stage, and capture necessary data.

The project, which is partially funded by the USTDA, will start on Aug. 11 and is expected to conclude by mid-2023.

"Unlocking the offshore wind sector requires significant early-stage development funding. We are delighted to support this and believe offshore wind could prove a significant source of green energy for the Philippines," Clime Capital Managing Director and Chief Executive Officer Mason Wallick said in the press release.

The Clime Capital team is described as consisting of senior professionals with deep Southeast Asian market experience in clean energy investments and developments.

Citing data from the Department of Energy (DoE), Clime Capital said the Philippines has onshore wind installed capacity of 443 MW as of 2020.

It said there is "significant potential" to expand the generation of wind power, especially offshore where wind farms generate more power. It also cited a 2021 study by the World Bank and BVG Associates, in coordination with the DoE, that identified opportunities for wind power development in the Philippines.

In the Philippine Energy Plan, the DoE targets wind power generation capacity to hit 12,000 MW by 2040. A low-growth scenario places the potential of 3,000 MW by 2040 and 6,000 MW by 2050.

"In partnership with USTDA, RMI aims to unlock private sector investment in offshore wind and utility-scale clean energy power projects in the Philippines and the broader Southeast Asia region," said Justin Locke, RMI global south program managing director.

Clime Capital quoted US Secretary of State Antony J. Blinken as saying: "The United States stands committed to working with the Philippines to achieve a clean energy future together. The signing of the USTDA grant on offshore wind is an important step in that direction."

Separately, Aboitiz Equity Ventures, Inc. announced in a media release on Monday that Sabin M. Aboitiz, the group's president and chief executive officer, accepted an invitation to become a steward of the Council for Inclusive Capitalism (CIC).

CIC is a global nonprofit organization that combines moral and market imperatives to help build a more inclusive, sustainable, and trusted economic system for the world.

Meredith Sumpter, chief executive officer of CIC, said he is thrilled to welcome Mr. Aboitiz to the council "and look forward to working with them as they take the necessary actions to ensure a better future for us all."

Also on Monday, AboitizPower told the local bourse that Monalisa C. Dimalanta, its compliance officer, has resigned after her appointment as the chairperson of the Energy Regulatory Commission.

On the stock exchange, shares in AboitizPower rose by 1.29% or P0.40 to close at P31.40 apiece. — **Ashley Erika O. Jose**

Uy: Converge's digital hub in Pampanga will be PHL's biggest

CONVERGE ICT Solutions, Inc. on Monday said that its planned digital hub and tech city in Pampanga will be the largest in the country.

"To share something very close to my heart, I plan to build the biggest digital hub and tech city in the country in Pampanga," Converge Chief Executive and Co-Founder Dennis Anthony H. Uy said at the Makati Business Club's "Leading in Extraordinary Times" forum.

"I want to build an ecosystem of innovation and technology where we can cultivate the ideas of young entrepreneurs and students," he added.

Mr. Uy and his wife, Converge President Maria Grace Y. Uy, founded the company in 2007 in Pampanga, their home province.

"From a few thousand customers when we started in Pampanga, we now have over 1.8 million customers nationwide," he said.

Converge is expected to cover 55% of households nationwide by 2023.

"I want to produce technology-minded students and business

people that will know the direction of technology and create solutions for the future," Mr. Uy said, referring to the company's envisioned projects in Pampanga.

He also urged the business community to play an active role in building the nation.

"Despite the need to still remain profitable during these hard times, I encourage you to look to bigger causes to help."

"Now is not the time to turn inwards or mind our own business — rather, now more than ever, we should go out of our comfort zones and seek out larger causes that help the common Filipino," he added.

At the same time, he noted that the government needs private sector support for economic recovery, especially in infrastructure development.

"These are difficult times, I admit, but with cooperation from the business sector and sound economic management from the (new) administration, we can survive this economic downturn."

— **Arjay L. Balinbin**

Bloomerry returns to profitability with P1.8-B earnings

BLOOMERRY Resorts Corp. reported an attributable net income of P1.81 billion for the second quarter, reversing last year's net loss of P1.16 billion, on eased mobility restrictions.

"Our performance in the second quarter indicates a sustained recovery in all segments of our Philippine operations," Bloomerry Chairman and Chief Executive Officer Enrique K. Razon Jr. said in a press release on Monday.

"Strong demand from the domestic mass market is pushing revenues closer to pre-pandemic levels and spurring the continued improvement of EBITDA (earnings before interest, tax, depreciation, and amortization) and net income," Mr. Razon added.

Bloomerry, the operator of Solaire Resort & Casino, reported a consolidated EBITDA amounting to P3.86 billion in the second quarter, almost four times of last year's P1.03 billion.

Its topline during the three-month period reached P10.23 billion, more than double last year's P4.75 billion.

"Absent the emergence of new COVID-19 (coronavirus disease 2019) variants that could disrupt our gains, we see scope for further recovery as regional travel starts to pick up in the coming months. In the meantime, we will grow our

market leadership by continuing to operate Solaire at the highest levels of service and health security," Mr. Razon added.

Total gross gaming revenue (GGR) at Solaire posted P13.12 billion, more than double of last year's P5.67 billion in the second quarter.

"Easy COVID-19 restrictions throughout the quarter furthered the recovery of gaming revenues," Bloomerry said.

Solaires' VIP tables contributed P4.41 billion, mass tables accounted for P4.11 billion, and slots made up P4.6 billion. — **Justine Irish D. Tabile**

FULL STORY



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