

Smart offers discount to DITO on payments for fraudulent calls

PLDT, Inc. said its wireless arm Smart Communications, Inc. had offered a "substantial discount" on compensation that DITO Telecommunity Corp. should pay for alleged fraudulent international calls.

"International calls using DITO SIMs, [which] should have been subject to proper toll rates,

came through [Smart's] network as local calls, with DITO mobile numbers as caller IDs," PLDT said in a statement to the stock exchange.

PLDT issued the statement on Aug. 11 after DITO's filing of a complaint with the Philippine Competition Commission against Smart and Globe Telecom.

"[Smart]... is not engaged in any act constituting abuse of dominant position or other anticompetitive behavior against DITO," PLDT said.

PLDT noted that DITO's vulnerable network has adversely affected SMART subscribers due to "low-grade calls from

masked DITO numbers" and "spam or robot calls and scams from overseas sources that are difficult to trace."

It also disclosed that DITO had sought additional interconnection capacity, but the new player must comply with Smart's conditions.

Smart wants operational coordination and fraud detection measures to mitigate illegal bypass traffic, as well as an agreement that outlines the procedures for handling any bypass activity and the computation of penalties for fraudulent calls. — Arjay L. Balinbin

FULL STORY



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Globe sees healthier balance sheet after 7,000-tower sale

By Arjay L. Balinbin Senior Reporter

GLOBE Telecom, Inc. anticipates future earnings to increase as a result of the expected cost savings from the sale of its over 7,000 towers, a company official said.

Globe expects that by selling the towers, it will spend less, especially on rent, than it did when it owned these towers.

"Its impact on the bottom line is highly dependent on colocation of the towers. The more colocation, the lower the lease rate we will pay," Globe Vice-President for Financial Planning and Analysis Carlo C. Puno said in a statement to BusinessWorld on Friday.

"Additionally, this will also avoid future capex (capital expenditure) costs as the tower company will be in charge of retrofitting the towers," he added.

He expects the company to have a healthier balance sheet, which will

allow more flexibility to compete in the market "as well as get access to cheaper capital, both of which could potentially lead to an increase in earnings in the future."

The Ayala-led company announced on Friday that it signed two sale and leaseback agreements for 5,709 telecom towers and related passive telecom infrastructure for over P71 billion.

It said 75% of the total proceeds will be used to fund capex to support ongoing network expansion and sustain network consistency and reliability scores.

Meanwhile, the balance of 25% will be earmarked to cover the company's 2023 debt servicing requirements.

"The first portfolio being sold consists of 2,180 telecom towers in Luzon, which will be acquired by MIESCOR Infrastructure Development Corp. for a total consideration of P26 billion, and leased back to Globe for an initial period of 15 years," Globe said in a statement.

The expected pre-tax transaction gain from the first portfolio will be P10.6 billion.

Meanwhile, the second portfolio consisting of 3,529 towers will be sold to Frontier Tower Associates Philippines, Inc. for P45 billion, and also leased back over an initial period of 15 years. Pre-tax gain will be P15 billion.

The company is in "advanced discussion" with another tower company for the sale and leaseback of an additional 1,350 telecom towers and related passive telecom infrastructure.

"This last portfolio is made up of towers located in Visayas and Mindanao. Globe expects to sign the sale and leaseback agreement with this tower company within the third quarter, with first closing happening within the fourth quarter of the year," it said.

FULL STORY



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CLI sets P8-billion capex for second half

CEBU Landmasters, Inc. (CLI) is expecting to spend the remaining P8 billion of its P13-billion capital expenditures (capex) budget in 2022 for property development and land acquisitions in the second half.

"The second half will be more busy, more productive for us. We are really expecting to spend the P13 billion that we've set to spend in capex this year with some key acquisitions in the second half," CLI Chief Operating Officer Jose Franco B. Soberano said in an online media briefing on Friday.

In the first half, the company's capital spending reached P5.52 billion: P3.81 billion for residential development, P1.23 billion for land acquisition, P345 million

for property investment, and the rest for other expenditures.

In real estate, the company reported that it has 35 ongoing projects with a P64.64-billion sales value.

Meanwhile, in its office and retail segment, it has Astra Lifestyle Mall Cebu, which will have 8,308 square meters (sq.m.) in gross leasable area (GLA) that it expects to be completed next year; and Patria de Cebu, which will have 21,000 gross floor area that it expects to be completed in 2024.

By 2025, the company expects its gross leasable area to reach 200,000 sq.m. from 28,400 sq.m. at present.

In its hotel and recreational segment, CLI has Base Line Prestige located in Base Line Center in Cebu, which is a project with Lyf of Ascott Ltd. that it expects to be completed in 2022.

In 2023, the company expects the completion of Radisson RED Hotel in Astra Centre in Cebu, Citadines in Bacolod City, and The Pad Co-Living in Cebu. — Justine Irish D. Tabile

FULL STORY



Read the full story by scanning the QR code or by typing the link < bit.ly/CLI081522 >

PSE's income slips 25% to P170 million

THE Philippine Stock Exchange (PSE) recorded a 25.1% decline in its attributable net income in the second quarter to P170.46 million from P227.57 million a year earlier after allotting mark-to-market provisions.

"Net income was slightly lower [...] because of a big mark-to-market provision for our investments of P106 million," PSE President and Chief Executive Officer Ramon S. Monzon said in a press conference on Saturday.

In the second quarter, the PSE's mark-to-market loss on financial assets at fair value reached P140.52 million, a reversal from last year's P57.68 million mark-to-market gain.

Mark-to-market losses happen when securities are priced at a market value lower than the price paid to acquire them. "The funds were invested in traded equity securities and US dollars-denominated locally issued bonds," the company said in its report on Friday.

The PSE's net income attributable to the parent firm slipped by 1% in the first half to P374.05 million from P377.98 million a year ago.

Its first-half mark-to-market loss rose to P145.29 billion, a big jump from the previous year's P3.58 million.

Meanwhile, the local bourse operator is encouraging more applications of offerings in order to reach its target of P200 billion from capital raising activities in 2022.

"We hope to get more applications and hope to reach P200 billion by the end of the year," Mr. Monzon said at the press conference.

PSE was able to raise P76.17-billion capital from year-to-date offerings, which came from eight initial public offerings (IPOs), five private placements, and three stocks rights offers (SROs). — Justine Irish D. Tabile

FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link < bit.ly/PSE081522 >

OUTLIER ACEN second-quarter income, 2030 RE goal sway investors

ACEN Corp.'s stock seasawed last week after investors heard its aggressive 2030 goal while its first-half income came out lower compared with last year.

Data from the Philippine Stock Exchange showed a total of 105.44 million shares worth P903.53 million were traded from Aug. 8 to 12.

Shares in the Ayala-led energy platform decreased by 1.8% week on week, finishing at P8.70 apiece on Friday from its P8.86 closing on Aug. 5. The stock has fallen by 17.1% since the beginning of the year.

Analysts said ACEN's stock price last week teetered mostly due to investors receiving news on ACEN's half-year income report and its commitment to expanding renewable energy (RE).

Globalinks Securities and Stocks, Inc. Head of Sales Trading Toby Allan C. Arce said in an e-mail exchange that while ACEN's first-half attributable net income declined by 19% year on year, its "aggressive expansion" will bring optimism in the future. He also cited the company's improved performance in the second quarter.

"For [the second quarter], the company realized fresh contribution from new Philippine and international plants, as well as the easing of curtailment issues in the Visayas. Also, improvements in plant availability allowed ACEN some excess capacity, thus enabling the company to benefit from strong wholesale electricity prices during the quarter," he said.

The energy company disclosed on Aug. 9 its "ACEN 2030" plan to expand its RE capacity to 20 gigawatts (GW) by 2030. It currently has 3.4 GW of renewables. ACEN targets to transition its power generation portfolio to 100% renewables by 2025 and retire its remaining coal plant by 2040.

"The company strategy of concentrating on RE has been consistent and with their recent announcement of targeting a higher attributable capacity from RE power plants by 2030 shows management's commitment to this strategy," Philippine National Bank Senior Equity Research Analyst Jonathan J. Latuja said in a separate e-mail.

"Investors view management consistency and commitment favorably as this implies stability and predictability of the business," he said, adding that the plan's execution is another matter that investors will monitor moving forward. Mr. Arce said ACEN's focus on RE is what the market may be looking for, which is to not depend on fossil fuels. The energy company also builds RE projects in other countries, including Vietnam, Indonesia, and India.

Since the start of the Russia-Ukraine conflict in February, fuel prices have surged as supply chain constraints have spread across the globe due to Russia freezing its supply of fuels to other countries. — Bernadette Therese M. Gadan

FULL STORY



Read the full story by scanning the QR code or by typing the link < bit.ly/Outlier081522 >



Republika ng Pilipinas LUNGSOD NG MAKATI SANGGUNIANG PANLUNGSOD OF MAKATI

PRESENT:

- Vice Mayor HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO - Presiding Officer
Councilor HON. DENNIS B. ALMARIO
Councilor HON. MARIA DOLORES M. ARAYON
Councilor HON. MARTIN JOHN PIO Q. ARENAS
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Councilor HON. JOSE C. VILLENA, IV
Councilor HON. ANNA ALCINA M. YABUT
LnB President HON. MARIBEL F. VITALES
SK President HON. RODOLFO C. SAN PEDRO, JR.

ALSO IN ATTENDANCE:

Secretary to the Sanggunian ATTY. DINDO R. CERVANTES

Upon motion of Hon. V.V. Hilario, Jr., duly seconded, the Sangguniang Panlungsod of Makati, by a unanimous vote, approved City Ordinance No. 2022-A-038 on third and final reading.

CITY ORDINANCE NO. 2022-A-038

Authors: Hon. A.P. Padilla, Hon. R.A.Q. Saguisag, Jr., Hon. D.B. Almario, Hon. B.B. Baniqued, Hon. V.V. Hilario, Jr., Hon. M.F. Vitales, Hon. R.C. San Pedro, Jr., Hon. J.M. Ariones, Hon. A.J. Cruz and Hon. C.C. Ortega

Co-Authors: Hon. M.D.M. Arayon, Hon. M.J.P.Q. Arenas, Hon. L.S. Javier, Jr., Hon. E.M. Marquez, Hon. K.T. Sarosa, Hon. J.C. Villena, IV and Hon. A.A.M. Yabut

AN ORDINANCE DECLARING THE BARANGAY DEVELOPMENT INVESTMENT PROGRAM (BDIP) FOR C.Y. 2023-2025 OF BARANGAY LA PAZ TO BE IN CONFORMITY WITH EXISTING LAWS, RULES AND REGULATIONS.

WHEREAS, R.A. No. 7160, otherwise known as the Local Government Code of 1991, provides that the barangay development council shall prepare the barangay development plans based on local requirements;

WHEREAS, Section 114 (a) of the same Code states that the policies, programs, and projects proposed by local development councils shall be submitted to the sanggunian concerned for appropriate action;

WHEREAS, the pertinent provisions of the abovementioned law likewise imply that the Sangguniang Panlungsod shall have the power to review/approve the public investment programs of the component barangays;

WHEREAS, the Sangguniang Barangay of La Paz, by virtue of Barangay Resolution No. 008-022 Series of 2022, approved its Barangay Development Investment Program (BDIP) for C.Y. 2023-2025, a copy of such barangay resolution, including its supporting documents, is hereto attached and made an integral part hereof as Annex "A";

WHEREAS, the Honorable Members of the Sangguniang Panlungsod of Makati extensively reviewed the subject BDIP;

WHEREAS, after careful perusal of available documents, it was ruled upon by the Members of the Sangguniang Panlungsod of Makati that the proposed Barangay Development Investment Program (BDIP) for C.Y. 2023-2025 of Barangay La Paz is compliant with the minimum requirements as prescribed by existing laws, rules and regulations; hence, this Ordinance.

NOW, THEREFORE, BE IT ENACTED, AS IT IS HEREBY ENACTED BY THE SANGGUNIANG PANLUNGSOD OF MAKATI, METRO MANILA, BY VIRTUE OF THE POWERS VESTED IN IT BY LAW, IN SESSION ASSEMBLED, that:

Section 1. The Barangay Development Investment Program (BDIP) for C.Y. 2023-2025 of Barangay La Paz is hereby declared to be in conformity with existing laws, rules and regulations.

Section 2. The Endorsement dated 18 July 2022 by the Barangay Budget Review Committee (BBRC), which attests that the Barangay Development Investment Program (BDIP) for C.Y. 2023-2025 of Barangay La Paz substantially complies with the requirements of such Committee, is hereby adopted in toto, a copy of the said Endorsement is hereto attached and made an integral part hereof as Annex "B";

Section 3. The provisions of this Ordinance are hereby deemed separable. If any provision hereof should be declared invalid or unconstitutional, the remaining provisions shall remain in full force and effect.

Section 4. All ordinances, resolutions and executive orders which are inconsistent with any of the provisions of this Ordinance are hereby repealed or modified accordingly.

Section 5. Let copies of this Ordinance be furnished to the Office of the Mayor, Office of the City Administrator, Law Department, Budget Department, Accounting Department, Urban Development Department, Department of the Interior and Local Government (DILG)-Makati City, Liga ng mga Barangay, Sangguniang Barangay of La Paz and other departments, offices, and agencies concerned for their information, guidance and reference.

Section 6. This Ordinance shall take effect immediately upon its approval.

ENACTED BY THE SANGGUNIANG PANLUNGSOD OF MAKATI, METRO MANILA, in its Regular Session held on 10 August 2022.

Certified true and correct by:

ATTY. DINDO R. CERVANTES Secretary to the Sangguniang Panlungsod

Attested by:-

HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO Vice Mayor & Presiding Officer

Approved by:

HON. MAR-LEN ABIGAIL S. BINAY City Mayor