

Philippine Stock Exchange index (PSEi) 5,783.15 ▲ 42.08 PTS. ▲ 0.73%

MONDAY, OCTOBER 3, 2022

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P616.00 ---	ACEN ACEN Corp. P5.52 -P0.08 -1.43%	AEO Abotitz Equity Ventures, Inc. P52.00 -P1.65 -3.08%	AGI Alliance Global Group, Inc. P7.96 -P0.29 -3.52%	ALI Ayala Land, Inc. P23.00 +P0.15 +0.66%	AP Abotitz Power Corp. P30.30 -P0.50 -1.62%	BDO BDO Unibank, Inc. P111.40 -P0.10 -0.09%	BPI Bank of the Philippine Islands P92.00 +P2.50 +2.79%	CNVRG Converge ICT Solutions, Inc. P13.32 +P0.22 +1.68%	EMI Emperador, Inc. P19.24 ---
GLO Globe Telecom, Inc. P1,998.00 -P32.00 -1.58%	GTCAP GT Capital Holdings, Inc. P416.00 +P0.40 +0.10%	ICT International Container Terminal Services, Inc. P162.80 +P6.20 +3.96%	JFC Jollibee Foods Corp. P234.20 +P5.20 +2.27%	JGS JG Summit Holdings, Inc. P41.20 -P0.85 -2.02%	LTG LT Group, Inc. P8.26 ---	MBT Metropolitan Bank & Trust Co. P48.40 -P0.10 -0.21%	MEG Megaworld Corp. P2.05 +P0.01 +0.49%	MER Manila Electric Co. P277.20 +P14.20 +5.40%	MONDE Monde Nissin Corp. P12.00 -P0.18 -1.48%
MPI Metro Pacific Investments Corp. P3.30 -P0.03 -0.90%	PGOLD Puregold Price Club, Inc. P27.70 -P0.55 -1.95%	RLC Robinsons Land Corp. P15.80 -P0.68 -4.13%	SCC Semirara Mining and Power Corp. P38.75 -P0.25 -0.64%	SM SM Investments Corp. P760.00 +P35.00 +4.83%	SMC San Miguel Corp. P96.80 -P1.15 -1.17%	SMPH SM Prime Holdings, Inc. P30.60 +P0.50 +1.66%	TEL PLDT, Inc. P1,490.00 -P18.00 -1.19%	URC Universal Robina Corp. P111.10 -P2.90 -2.54%	WLCON Wilcon Depot, Inc. P28.90 -P3.05 -9.55%

DoE clears Razon takeover as Malampaya operator

THE Energy department has approved the sale of the 45% stake of Shell Philippines Exploration B.V. (SPEX) in the Malampaya deepwater project to a subsidiary of Razon-led Prime Infrastructure Capital, Inc.

In a press release on Monday, the Department of Energy (DoE) said Prime Infra was found to be technically, financially, and legally qualified as an operator

of the Malampaya gas-to-power project.

The DoE, led by Secretary Raphael P.M. Lotilla, said that upon its review, SPEX will now become a wholly owned subsidiary of Prime Infra.

SPEX, as a unit of Prime Infra, will continue to operate Service Contract (SC) 38, which covers the Malampaya project located northwest of Palawan island in the West Philippine Sea.

The DoE said that its review "has considered the need to maximize the utilization of the existing petroleum resources in Malampaya [SC] 38." It added that the Shell group "has underlined" to the department "that it has decided to exit from upstream petroleum activities in the Philippines."

It cited Presidential Decree 87 and DoE Department Circular No. DC 2007-04-0003 as the basis for the transfer of rights and

obligations in petroleum service contracts.

Separately, Prime Infra said in a press release that before the DoE approval, the Malampaya SC 38 consortium members gave their consent to the sale. It was referring to UC38 LLC and state-led PNO Exploration Corp., which hold 45% and 10%, respectively.

Enrique K. Razon, Jr., chairman of Prime Infra, said that his group welcomes the DoE's "thorough review" and subsequent approval of the SPEX sale "given the urgency to sustain the operations of Malampaya — a vital energy installation and symbol of national pride — and to plan for the further development of the existing reserves in light of the current power undersupply."

"We will contribute by doing all that can be done to produce as much gas as possible to sustain production in support of the

power demand in Luzon," Mr. Razon added.

Prime Infra said that it is expected to assume full ownership of Malampaya on Nov. 1, once the transition process for the handover of SPEX's operation is completed.

The DoE said that Malampaya supplies up to 20% of Luzon's total electricity requirements but the consortium's license for the project is set to expire in 2024. — **Ashley Erika O. Jose**

PLDT receives P57.7 billion from sale of 4,435 towers

THE PLDT group on Monday said it recently received P57.7 billion from the sale of 4,435 telecom towers.

"As of Oct. 3, ownership of a total of 4,435 towers or 75% of the 5,907 towers covered by the sale and lease-back transaction had been transferred to the tower companies," PLDT, Inc. said in a disclosure to the stock exchange.

"Proceeds from the sale of the towers would be used to pay down debt, and support operating and capital expenditures," it added.

The group is currently studying the "sale of telecom towers in addition to the 5,907 towers."

The group announced in April that its subsidiaries, Smart Communications, Inc. and Digital Mobile Philip-

pines, Inc., had signed sale and purchase deals in connection with the sale of 5,907 telecom towers and related passive telecom infrastructure for P77 billion to the subsidiaries of international telecommunications infrastructure services companies edotco Group and EdgePoint.

The 5,907 towers — almost half of PLDT's total tower portfolio — are spread across the

Philippines, with 2,973 being acquired by ISOC edotco Towers, Inc., a subsidiary of edotco Group, and 2,934 towers by Comworks Infratech Corp., a subsidiary of EdgePoint.

"The transaction is timely as it allows PLDT to avoid additional debt against a backdrop of a rising interest rate environment," PLDT said.

"PLDT expects additional closings before the end of the

year, with final closing anticipated to be completed by the first quarter of 2023," it added.

PLDT shares closed 1.19% lower at P1,490 apiece on Monday.

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. — **Arjay L. Balinbin**

Cemex Holdings unit suspends terminal operations in Davao

CEMEX Holdings Philippines, Inc. said one of its subsidiaries has temporarily suspended terminal operations due to surging operational costs and the entry of Vietnamese cement imports.

In a statement on Monday, Cemex said APO Cement Corp. has temporarily stopped the operations of its Davao cement terminal, which has a daily dispatching capacity of 25,000 bags.

"Our operational costs in maintaining the Davao terminal have increased and continue to increase, while our volumes are decreasing due to the unabated entry of cement imports from Vietnam. Given these, we are constrained to suspend terminal operations in Davao," Cemex Vice-President for Supply Chain Edwin P. Hufemia said.

"This suspension of our operations in the Davao terminal will allow us to continue focusing on efficiently running our plant and other terminals and warehouses in order to cope with these current challenges," he added.

Despite the temporary suspension, Mr. Hufemia said that the supply and delivery of the company's cement will be unaffected.

The cement manufacturing plant of APO Cement is located in Naga City, Cebu.

"We remain committed to supporting the country's development program and support the administration's Build, Better, More infrastructure program, and we assure the public that there will be no disruption on the supply and delivery of our cement," Mr. Hufemia said.

In December last year, the Department of Trade and Industry imposed provisional anti-dumping duties on specific cement brands imported from Vietnam.

Dumping happens when exporters sell their products to an importing country at a lower price compared to their normal value when used in the domestic market.

Currently, there is a pending case in the Tariff Commission regarding a petition for anti-dumping filed by local cement manufacturers against ordinary Portland cement type 1 and blended cement type 1P imports from Vietnam. — **Revin Mikhael D. Ochove**

Global Ferronickel acquires 20% stake in Chinese firm

GLOBAL Ferronickel Holdings, Inc. has acquired a 20% stake in Guangdong Century Tsingshan Nickel Industry Co., Ltd. (GCTN), it disclosed on Monday.

"The acquisition is expected to create reliable and consistent synergies between FNI (the company's stock symbol) as a nickel ore supplier and GCTN as a value-added processor, and support our ongoing diversification projects to boost profitability," Global Ferronickel President Dante R. Bravo said in a disclosure.

The acquisition was made through the purchase of shares in GHGC Holdings, Ltd. (GHL). GHL owns 90% of the GCTN stock portfolio.

In a separate disclosure, Global Ferronickel further said that it signed a share purchase agreement to acquire 22.22% shareholding in GHL for \$75 million.

"This shareholding gives Global Ferronickel 20% indirect ownership in GCTN and provides experience and capabilities in value-added processing of nickel ore," according to the company.

GCTN is a Chinese nickel alloy enterprise that operates smelters with rotary kiln-electric furnace technology. It produces about 28,000 tons of pure nickel annually.

The firm also has a 33-hectare facility employing over 600 employees. Its customers are mainly from Guangdong's Economic and Technological Development Zones and abroad.

"This initiative will help manage risks, optimize value to stakeholders, and develop downstream integration of the value chain," Global Ferronickel said.

"To complement its expansion targets, the company continues to pursue investments in high-growth firms and industries that can enhance operational and cost efficiencies," it added.

In September, the firm announced that its affiliate Ipilang Nickel Corp. completed its maiden shipment of nickel ore for export to China.

It exported 54,700 wet metric tons (WMT) of medium-grade nickel ore to GCTN from its mine site in Brooke's Point, Palawan.

Global Ferronickel also noted that Platinum Group Metals Corp. (PGMC) is its subsidiary and Ipilang Nickel Corp. is an affiliate.

"PGMC is a leading nickel ore producer, while Ipilang Nickel has just conducted its maiden shipment of nickel ore to China," it added.

Global Ferronickel said it is diversifying its investments towards high-growth firms and industries that can provide operational synergies and improve cost efficiencies to complement the growth potential of the company's nickel mining business.

"The business diversification initiatives will provide risk reduction and optimal value to stakeholders. This results in vertical integration of the value chain," it added.

Global Ferronickel has interests in nickel ore mining, logistics, cement and steel production, and port operations.

In the second quarter, the firm's net income dropped by 16.2% to P615.58 million from P734.56 million in 2021.

At the stock market on Monday, Global Ferronickel shares declined by 4.31% or 10 centavos to close at P2.22. — **Luisa Maria Jacinta C. Jocson**

Globe says \$150-M submarine cable project completed by April 2023

GLOBE Telecom, Inc. on Monday said it expects its \$150-million domestic submarine cable project, which now covers eight provinces, to be completed by April next year.

"The Philippine Domestic Submarine Cable Network is the longest domestic subsea cable project in the Philippines," Globe said in an e-mailed statement.

The project, which started in July, "has landed in Lucena City, Boac in Marinduque, Calatrava in Romblon, Placer in Masbate, Iloilo City, Bacolod City, Roxas City, and most recently, the tourist island of Siargao in Surigao del Norte," the telco added.

The eight provinces and cities are among the 33 identified landing points of the cable network, which will have a total distance of 2,500 kilometers.

The project is being carried out by Globe, Eastern Telecommunications Philippines, Inc. (Eastern Communications) and Infini-VAN, Inc.

Eastern Communications, a broadband provider jointly owned by PLDT, Inc. and Globe, has said it targets to reach more customers by boosting its network resiliency in remote and disaster-prone areas.

"Despite disruptive weather events this wet season, our project has been touching down its landing points as planned, bringing reliable fiber connectivity to remote and underserved areas," said Arlene Jallorina, vice-president for strategic infrastructure investments for Globe Business, Enterprise Group. — **Arjay L. Balinbin**

Nickel Asia buys shares in metal processing firm

NICKEL ASIA Corp. has bought 33.05 million common shares of Coral Bay Nickel Corp. (CBNC) for \$25.93 million, it said on Monday.

"This investment by the company was made in furtherance of its commitments toward sustainability, environmental protection and renewable energy, since the processing of lateritic nickel ores by the CBNC plant allows the utilization of cobalt and nickel derived from such ores for manufacturing electric vehicle batteries," Nickel Asia said in a disclosure.

Nickel Asia purchased the shares from Sumitomo Metal Mining Co., Ltd. (SMM), which is the majority shareholder of CBNC.

"The sale and purchase transaction also strengthens the long-standing partnership between the company and SMM," it added.

CBNC operates the Coral Bay high-pressure acid leach or HPAL processing plant in Bataraza, Palawan which processes metals from lateritic nickel ore.

The acquisition of the additional CBNC shares increased Nickel Asia's equity ownership in CBNC to 15.625% from 10%.

In the first half, Nickel Asia's attributable net income went up by 40.3% to P3.83 billion from P2.73 billion, driven by higher nickel ore prices and favorable exchange rates.

On Monday, company shares ended lower by 1.38% or P0.07 to finish at P5.00 apiece. — **Luisa Maria Jacinta C. Jocson**

Kazuo Okada, allies face coercion charges over casino takeover

THE Department of Justice (DoJ) has resolved to indict Japanese billionaire Kazuo Okada, Antonio O. Cojuangco, and other members of their camp for grave coercion over the alleged "forceful takeover" of casino-resort Okada Manila.

In a 25-page resolution dated Aug. 25 and marked as received by the DoJ prosecution staff on Oct. 3, the agency also dismissed for lack of evidence complaints for slight physical injuries, kidnapping and serious illegal detention, unjust vexation and direct assault charges against Mr. Okada's camp.

"Ineluctably, respondents Kazuo, Cojuangco, Espeleta are deemed to have taken the law into their

hands," said the DoJ. Dindo A. Espeleta is an adviser to Mr. Okada's camp.

It added that despite their claim to a status quo ante order (SQAO) issued by the Supreme Court, it does not absolve them from criminal liability for the controversial takeover of the casino resort.

The legal counsel for Tiger Resort Leisure and Entertainment, Inc. (TRLEI) earlier filed criminal complaints before the Justice department in relation to the alleged "brutal, forceful, and anomalous takeover" of Okada Manila on May 31. TRLEI is the company that operates Okada Manila.

In July, the camp of Mr. Okada issued a statement citing a Philippine Supreme Court ruling ordering an SQAO, identifying him as the lone representative of Tiger Resort Asia Ltd. (TRAL), TRLEI's parent company, which is registered in Hong Kong.

"They precipitously went ahead of their unlawful plan to take control and possession of Okada Manila in the guise of implementing the SQAO, which contains no specifications on what respondents can only do by virtue thereof," the DoJ added.

The High Court upheld the SQAO order in August, which reinstated Mr. Okada as chairman of Okada Manila. — **John Victor D. Ordoñez**

FULL STORY



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