

## Senate set to review Razon takeover of Malampaya field

THE SENATE is set to review the Energy department's approval of 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. or Prime Infra.

Senator Sherwin T. Gatchalian told reporters on Friday that the Senate will have to evaluate how the Department of Energy (DoE) arrived at its decision to approve the sale.

"I will file a resolution to review the approval of the DoE," Mr. Gatchalian said, adding that

lawmakers need "to check all the aspects, all the technicalities, in the spirit of transparency."

On Oct. 3, the DoE said that Prime Infra was found to be technically, financially, and legally qualified to be the operator of the Malampaya gas-to-power project.

The DoE said that because of its approval, SPEX will 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.

State-led PNOOC Exploration Corp. has a 10% stake in the Malampaya gas field, with UC38 LLC holding the other 45%. Prime Infra previously said that before the DoE approval, the SC 38 consortium members had given their consent to the sale.

"We will need to review it. We need to evaluate how the DoE approved it," Mr. Gatchalian added.

In a statement, the department said that its review showed the need to maximize the utilization of the existing petroleum resources in Malampaya.

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.

Prime Infra said that it will assume full ownership of Malampaya on Nov. 1, after the transition process for the handover of SPEX's operation is completed. — Ashley Erika O. Jose

### OUTLIER

## Planned merger with Robinsons Bank Corp. drives BPI stock's rise

INVESTORS rallied strongly behind Bank of the Philippine Islands (BPI), analysts said, after the Ayala-led bank reported its planned merger with the Gokongweis' Robinsons Bank Corp.

BPI, which will be the surviving entity in the merger, was the 10<sup>th</sup> most actively traded stock last week with a total of 7.13 million shares worth P653.70 million having changed hands on the trading floor from Oct. 3 to 7, data from the Philippine Stock Exchange showed.

BPI shares closed at P93.00 apiece on Friday, up 3.9% from its Sept. 30 closing price of P89.50 each. Year to date, its price has also increased by 2.1%.

Regina Capital Development Corp. Head of Sales Luis A. Limlingan said the stock's movement during the week was hinged on the merger narrative.

"Aside from this, BPI also received some push from Fitch's commentary on the merger. The latter said that BPI's credit rating is not likely going to be affected by the immediate financial implications of the merger," Mr. Limlingan said in an e-mail.

According to credit rating agency Fitch Ratings, the merger will strengthen BPI's market position as one of the country's largest lenders. It also said the merger is unlikely to affect BPI's support-driven credit ratings.

Joylin F. Telagen, research head at IB Gimenez Research Securities, said in a separate e-mail that at the start and until the end of the week, BPI surged on the back of the merger announcement with Robinsons Bank.

Late last month, the Ayala-led bank said a possible merger is being planned with the Gokongwei group's Robinsons Bank, with BPI as the surviving entity.

Under the planned consolidation, Robinsons Bank's shareholders, or the Gokongwei group, will collectively hold approximately 6% of BPI's outstanding capital stock.

The transaction, which is targeted to be completed before the end of 2023, is subject to the approval of

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shareholders as well as regulators, including the Bangko Sentral ng Pilipinas, Securities and Exchange Commission, Philippine Deposit Insurance Corp., and the Philippine Competition Commission. — Abigail Pelea Yraola

# PLDT to DITO: Pay P430M for building transmission facilities

*Instead of paying, Uy-led telco is 'trying to confuse the public'*

By Arjay L. Balinbin  
Senior Reporter

THE PLDT group on Sunday said its demand of P429.7 million from DITO Telecommunity Corp. in relation to the construction of transmission facilities for the third telco player has nothing to do with the interconnection capacity issue.

"PLDT understands that [Smart Communications, Inc.] is unable to give DITO any additional bandwidth until DITO agrees to compensate Smart for illegal overseas call traffic that is coming from DITO and which defrauds Smart and the government of legitimate income," PLDT, Inc. said in an e-mailed statement.

"This has nothing to do with DITO's refusal to pay an overdue obligation to PLDT for transmission facilities that DITO has asked PLDT to build and which DITO has leased from PLDT and which, to repeat, DITO continues to use," it added.

The company disclosed on Friday last week "DITO's defaulted P430 million obligation owed to PLDT."

According to DITO, "parties have initiated talks to amicably resolve this issue, but PLDT, in material breach of the dispute resolution mechanism under the parties' agreement, still proceeded in pursuing this unreasonable claim."

"Smart's adamant refusal to augment DITO's capacity (to interconnect with Smart's subscribers) has to no small degree compromised DITO-SMART voice traffic, adding to the underutilization of the initial bandwidth capacity provided by Smart to DITO," the third telco player said in a statement.

"Thus, DITO, in a series of letters to PLDT and prior to the delivery of the subject transmission facilities, informed the latter that the same are no longer needed," it added.

PLDT described DITO's response as confusing the public, as the third telco player was "referring to and mischaracterizing the issues involving DITO's other unpaid obligations to Smart Commu-

nications, a separate company with a different agreement with DITO."

"PLDT reserves all of its remedies in case DITO does not cure its latest major payment default within the applicable 30-day cure period, including the suspension or termination of services under the parties' service agreement," it added.

### DEBTS PILING UP

To recall, Globe Telecom, Inc. has requested the National Telecommunications Commission to compel DITO to pay a P622-million fine for allegedly violating their interconnection agreement.

DITO previously filed competition complaints against the Ayala-led company and Smart of the PLDT group.

"As for DITO, their debts will keep on piling up until they take action. A possible plan is to sell some of Dennis A. Uy's companies to pay off debt or maybe China Telecom can give a helping hand," Mercantile Securities Corp. Analyst Jeff Radley C. See said in a phone message.

Terry L. Ridon, a public investment analyst and convenor of think tank InfraWatch PH, said that if DITO and the wider Udena group are currently facing a cash crisis, it is their obligation to the public to make this specific disclosure, for lenders and the wider capital market to be able to help them at this time.

"It does not help their case to create various scenarios merely to buy more time to settle their obligations," he added.

Mr. Ridon pointed out that other Uy-led businesses are also embroiled in the non-payment of outstanding obligations, "such as the ruling by a Batangas court allowing Lucio Tan-led Absolut Distillers to collect P157 million from Phoenix Petroleum Philippines for the latter's non-payment of bioethanol."

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.

# Okada Manila's awesome Halloween adventures

Okada Manila is set to bring some frightful fun this Halloween with spine-chilling activities and exciting offers for everyone. It is indeed a November to remember at Manila's grand icon.

### PLAY's Trick-or-Treat Festival

Exciting Halloween adventures and awesome family-friendly activities await at PLAY's Trick-or-Treat Fair on Oct. 29. Kids and their parents can play dress-up with their most magical and otherworldly costumes when they trick or treat for gifts, toys, or candies around the Crystal Pavilion.

The ultimate Halloween PLAY date also features a unique experience featuring the epic Human Claw Machine from Oct. 29 to Nov. 1. It's the perfect activity for guests who are looking to win amazing prizes.

### Spooky and sumptuous treats

The Lobby Lounge and Pastry Shop has

prepared spine-chilling and scrumptious Halloween cakes ideal for gifts or even trick-or-treat candies. From Oct. 21 to Nov. 2, guests have the chance to score drool-worthy desserts like Pumpkin Deluxe, Mummy Field Rolls, and Frosty Ghosts.

Plus, Medley Buffet will be concocting a special Halloween menu on Oct. 31. Free face-painting services will be available all day to keep the fun going. Lunch and dinner rates are priced at P3,300 nett for adults and P1,600 nett for children.

### Frights and delights for everyone

Guests will also be treated to a frightfully fun Halloween experience from Oct. 28 to Nov. 1 (1 p.m. to 9 p.m.) at the Coral Wing Activity Area.

Those who will take photos with the gigantic moon display in the MoonShot Zone and upload it on social media with

the hashtags #HalloweenAtOkadaManila and #OnlyAtOkadaManila will get a yummy Halloween Cookie Treat.

Spooky Live Actors will also roam around the area to create an atmosphere that's perfect for hair-raising photos. Caricature artists will also be there to hand-draw spooktacular pictures of guests.

### 2 for 1 staycation offer

A special 2 for 1 staycation offer will also be running from Oct. 14 to 20. Guests can get up to a 55% discount on Deluxe and Suite rooms for 2 consecutive nights. Stay dates are from Oct. 16 to March 31, 2023. To learn more about this offer, guests can go to [okdmln.ph/2for1](http://okdmln.ph/2for1).

For reservations and inquiries, guests can call +632 8888-0777 or email [roomreservations@okadamanila.com](mailto:roomreservations@okadamanila.com). Visit [www.okadamanila.com](http://www.okadamanila.com) for more information.



Halloween spooky actors



Halloween cakes



PLAY Trick or Treat



Halloween spooky actors