‘Gender-lens’ investing seen to boost funding for women-led startups

By Justine Irish D. Tabile
Reporter

PRIVATE investors network Manila Angel Investors Network, Inc. (MAIN) said that there is a need to take into consideration gender-based factors across the investment process to empower more women-led startups.

“If you look at the entrepreneur level, there’s this massive gap in our economies because men’s ideas are getting funded, and women’s ideas and women’s companies struggle to get that funding,” MAIN Committee Chair on Women In Investing Tina Nepomuceno-Di Cicco said in an interview.

She added that only about 3% of venture capital is going to women, which is inadequate to help address the problems they face. Apart from financial barriers, women-led businesses also struggle with a lack of access to technology, relevant skills and training.

“What we’re trying to do with gender-lens investing is I invite you to look at this proposal from the view of gender. It doesn’t have to be men or women, but you look at this investment as this is something that would benefit both men and women,” she said.

“Right now, we’re seeing a lot of positive action, and a lot of consciousness in the corporate firm, for men, to be cognizant of this, to be more gender lens in their approach to investment, hiring projects, assignment, and the like,” she added.

Ms. Nepomuceno-Di Cicco said that there is a need to push women to lead as it will provide diversity in the organizations.

“If there’s diversity in the organization, decision making, live scanning and business planning is much better because there is diversity in thinking,” she said.

“It is important for us to make sure that those women are on the board. It is important for us to make sure that those women are being invested so that we can promote that,” she added.

Ms. Nepomuceno-Di Cicco said that women fund managers are the ones investing in women-led startups.

“But the thing is, only 18% of world fund managers are women. So, therefore, the amount of money that goes to women-led startups is only 18%,” she said.

She explained that this happens because women understand the propositions of women-led startups since they are looking through the same lens, while males understand it on a different level.

In MAIN, the network puts importance on gender-lens investing events wherein male and female speakers talk about the strategy.

“If men actually tell some male advocates to put their voice out there, it just helps us get the word out, not just to the women, but even to men,” MAIN Executive Director Quenby T. Go said.

To date, the investors network with more than 100 members has invested in 26 startups, 11 of which are women-led businesses while the remaining 15 are non-women-led.

FULL STORY

Read the full story by scanning the QR code or by typing the link <bit.ly/genderlens0512>

Converge income up 10% to P2B

CONVERGE ICT Solutions, Inc.’s net income attributable to shareholders reached P2.17 billion in the first quarter, up by 10.2% from the P1.97 billion it posted in 2022.

The company’s top line rose to P8.64 billion from January to March, an increase of 11.5% from the P7.75 billion recorded last year.

“This is well within our guidance of 10% to 15% revenue growth,” Converge President and Co-Founder Grace C. Uy said during the company’s first-quarter online briefing on Thursday.

The bulk of the company’s revenues came from its residential segment, which accounted for P7.4 billion, while revenues from enterprise during the quarter rose to P1.24 billion, a year-on-year increase of 8.6% and 32.9%, respectively.

Converge Treasurer Christine Renee C. Blabagno said the company recorded growth for both segments “as we enter new cities and municipalities, and deploy innovative products for both segments.”

In the first quarter, the company deployed 488,000 new ports, leading to a household coverage of 15.9-million homes or approximately 60% household coverage.

“We have opened service in 100 new cities and municipalities in Visayas and Mindanao and another 89 in Northern Luzon during the first quarter,” Converge Chief Executive Officer and Co-Founder Dennis Anthony H. Uy said.

“Our performance thus shows that the policies we have put in place last year and in previous years are now bearing fruits,” Ms. Uy said.

In the three months to March, the company reached earnings before interest, taxes, depreciation, and amortization (EBITDA) of P5.2 billion, translating into a 59.9% EBITDA margin.

“The EBITDA margin expansion was due to higher revenue and continued prudent cost management, as well as a couple of changes in accounting recognition and estimates,” she said.

Ms. Uy said that the company will be retaining its 2023 revenue guidance but has adjusted its EBITDA margin guidance to 56% to 58%.

Capital expenditures (capex) during the quarter reached P3 billion, which was mostly used on access ports in new service areas.

“We will remain in line with our P12-billion to P15-billion capex guidance for the year,” Ms. Blabagno said.

SUBSCRIBER NET ADDITIONS

In the first quarter, Converge registered 29,000 postpaid subscriber net additions, which was driven by Converge Fiber X. This brought its postpaid subscriber count to 1.9 million.

“This is a continuous positive net addition trajectory. The 29,000 is a step up from the 26,000 postpaid net ads that we had in the fourth quarter,” Converge Chief Operations Officer Jesus C. Romero said.

Its prepaid product, Surf2Sawa, now serves 30,000 households in more than 400 cities and municipalities.

“We’re happy to report that Surf2Sawa is gaining traction even ahead of its full launch. We look to serve 120,000 prepaid subscribers more by the end of the year,” Mr. Romero said.

“With that cumulatively, we are looking at 43,000 net additions for the quarter, which makes us the only player among the top three providers that grew the total fixed broadband subscriber base. We are now ending the quarter at 1.92-million subscribers,” he said.

After 18 months of work on Surf2Sawa’s business model, Mr. Uy said that they will be doing a full-scale launch by next month to the lower-income market, which he said accounts for 9.3-million households.

“We have been working on this business model for around 18 months already, and I’m happy to say that we’re on track to doing the full-scale launch by next month,” he said.

The company is not yet expecting a significant contribution from its prepaid segment in 2023 but sees it as the next source of growth and an additional bump in revenues.

“We continue adding subscribers and it’s a recurring business assuming they already keep on reloading. By next year we will see that the prepaid is making an impact,” Mr. Romero said.

“The 120,000-subscriber count would be somehow close to the December timeline. So, by then, that would just be around less than P500 million as a total revenue contribution,” Ms. Uy said. — **Justine Irish D. Tabile**

CTA denies Lepanto’s P13.6-M VAT refund claim

THE Court of Tax Appeals (CTA) has dismissed the appeal of Lepanto Consolidated Mining Co.’s refund claim worth P13.63 million representing its excess input value-added tax (VAT) traced to zero-rated sales for the third and fourth quarters of 2007.

In a 15-page decision made public on May 10, the tribunal said it did not have jurisdiction over the tax claim since the firm filed its appeal nine years after the 30-day period prescribed under the law.

“Undoubtedly having no jurisdiction over the present petition, the court finds no need to belabor itself with a determination of the amount of petitioner’s refundable input value-added tax as any conclusion reached thereon will have no bearing on the case’s outcome,” according to the ruling written by Associate Justice Jean Marie A. Bacorro-Villena.

Under the country’s tax code, when the commissioner of internal revenue (CIR) rejects or fails to act on a claim for a refund, the taxpayer is given 30 days from the receipt of an adverse decision or ruling to file a petition for review with the CTA.

The CIR is given 120 days to act on a disputed tax assessment otherwise, the decision would be final.

Lepanto argued that its petition was timely filed on May 10, 2019, since it received a copy of the Bureau of Internal Revenue (BIR)’s denial letter only on April 10, 2019.

The tribunal disagreed, saying the taxpayer must no longer wait for the CIR’s decision when the mandated 120 period lapses.

“Considering the foregoing disquisitions, there is no precedent supporting the petitioner’s (Lepanto) view that the period to file its judicial appeal should be counted from its receipt of the denial letter on April 10, 2019,” it said. — **John Victor D. Ordoñez**