

## Philippine Stock Exchange index (PSEi)

6,479.93

▼41.71PTS.

▼0.64%

TUESDAY, JUNE 6, 2023

BusinessWorld

## PSEI MEMBER STOCKS

<b>AC</b> Ayala Corp. P655.00 -P15.00 -2.24%	<b>ACEN</b> ACEN Corp. P5.98 -P0.05 -0.83%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P54.20 +P0.05 +0.09%	<b>AGI</b> Alliance Global Group, Inc. P14.00 ---	<b>ALI</b> Ayala Land, Inc. P25.90 ---	<b>AP</b> Aboitiz Power Corp. P36.80 -P0.20 -0.54%	<b>BDO</b> BDO Unibank, Inc. P135.30 -P2.80 -2.03%	<b>BPI</b> Bank of the Philippine Islands P102.00 +P1.30 +1.29%	<b>CNVRG</b> Converge ICT Solutions, Inc. P10.60 -P0.12 -1.12%	<b>DMC</b> DMCI Holdings, Inc. P9.62 -P0.13 -1.33%
<b>EMI</b> Emperador, Inc. P20.90 -P0.20 -0.95%	<b>GLO</b> Globe Telecom, Inc. P1,720.00 -P4.00 -0.23%	<b>GTCAP</b> GT Capital Holdings, Inc. P505.00 -P2.00 -0.39%	<b>ICT</b> International Container Terminal Services, Inc. P201.00 +P2.00 +1.01%	<b>JFC</b> Jollibee Foods Corp. P231.00 -P1.00 -0.43%	<b>JGS</b> JG Summit Holdings, Inc. P49.00 +P1.00 +2.08%	<b>LTG</b> LT Group, Inc. P9.48 -P0.09 -0.94%	<b>MBT</b> Metropolitan Bank & Trust Co. P56.85 -P0.65 -1.13%	<b>MER</b> Manila Electric Co. P329.60 -P1.40 -0.42%	<b>MONDE</b> Monde Nissin Corp. P8.12 -P0.08 -0.98%
<b>MPI</b> Metro Pacific Investments Corp. P4.46 +P0.02 +0.45%	<b>PGOLD</b> Puregold Price Club, Inc. P30.25 -P0.50 -1.63%	<b>SCC</b> Semirara Mining and Power Corp. P28.20 ---	<b>SM</b> SM Investments Corp. P905.00 -P23.00 -2.48%	<b>SMC</b> San Miguel Corp. P103.00 -P3.40 -3.2%	<b>SMPH</b> SM Prime Holdings, Inc. P33.50 +P0.60 +1.82%	<b>TEL</b> PLDT Inc. P1,229.00 -P9.00 -0.73%	<b>UBP</b> Union Bank of the Philippines P78.00 -P1.30 -1.64%	<b>URC</b> Universal Robina Corp. P144.00 -P4.00 -2.7%	<b>WLCON</b> Wilcon Depot, Inc. P26.50 -P0.10 -0.38%

## MPIC awaits new price offer, restart of delisting

THE CONSORTIUM of companies that offered to take Metro Pacific Investments Corp. (MPIC) private may still quote a price different from what it offered minority shareholders of the listed conglomerate, its top official said, as he expects a restart of the delisting process.

Manuel V. Pangilinan, MPIC president and chief executive officer, told reporters on Tuesday that the bidders are “back to square one” as their selected independent financial advisor (IFA) was rejected by the Philippine Stock Exchange (PSE).

“The process will restart after the IFA has determined the

price. They would probably give a range from X to Y, and they would have to submit that again to the PSE and the SEC (Securities and Exchange Commission),” he said on the sidelines of the company’s annual stockholders meeting.

In April, the bidding consortium offered to acquire MPIC common shares at P4.63 apiece, which represents a 22% premium over the company’s one-year volume-weighted average price. MPIC shares rose by 0.45% or two centavos to P4.46 apiece on Tuesday.

Mr. Pangilinan, who is also MPIC chairman, said the bid-

ders are likely to appoint a new IFA, resulting in a restart of the delisting process when the new advisor has determined the tender offer price.

He said the previous independent advisor was not considered “independent enough” as it had conducted business with the shareholders of MPIC and some of the bidders.

“We have been given an accredited list... and there are probably only two that have not done much work or no work for us, so they would probably narrow it down to [one of them],” he said.

The selection of a new advisor comes after GT Capital Holdings,

Inc. — which is a member of the bidding consortium along with Metro Pacific Holdings, Inc., MIG Holdings Inc., and Mit-Pacific Infrastructure Holdings Corp. — sent a notice to MPIC last week to postpone shareholders’ voting for or against its delisting, which was initially set on June 6.

GT Capital said that the fairness opinion and valuation reports for the tender offer on the minority shares had not yet been completed in time for the company’s annual stockholders’ meeting. MPIC accepted the consortium’s request for voting during a special stockholders’ meeting at a later but unspecified date.

MPIC has yet to determine a date for the special meeting, Mr. Pangilinan said, but “hopes” to complete the delisting process within the year.

The consortium said that once the reports have been finalized, another notice of intent will be submitted to undertake a tender offer, which will replace the one it previously sent.

Under the initial tender offer, First Pacific Co. Ltd., through Metro Pacific Holdings, will spend around \$90 million to increase its stake by as much as 3.8%, while GT Capital will pay \$70 million for an additional 2.9% stake. Mit-Pacific Infrastructure Holdings

will buy up to 20% and MIG Holdings will acquire up to 10%.

The consortium would need to achieve 95% tender offer acceptance from minority shareholders for the voluntary delisting.

MPIC is one of the three key Philippine units of Hong Kong based First Pacific, the others being Philex Mining Corp. and PLDT Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority share in *BusinessWorld* through the Philippine Star Group, which it controls. — **Adrian H. Halili**

## SEC readies updated sustainability reporting rules

THE Securities and Exchange Commission (SEC) is aiming to release updated sustainability reporting guidelines within the year or early next year, a commissioner said.

“We will come out either this year or early next year [with] the next step of Memorandum Circular No. 4, which mandated sustainability reporting for publicly listed companies,” SEC Commissioner Kelvin Lester K. Lee said in a recent interview.

Memorandum Circular No. 4 has a “comply or explain” approach, which means companies are required to attach the annual report template but may provide an explanation for items with still unavailable data.

“If you remember, the setup there is to comply or explain. Moving forward, the intention is to make certain portions of the report mandatory,” Mr. Lee said.

Previously, the SEC was keen on making the entire sustainability report mandatory for publicly listed companies.

“The feedback has been that it might be too difficult for some of the publicly listed companies, especially considering they are not from the same starting point,” Mr. Lee said. “Not everyone is as well-equipped as the big companies.”

“We have to try and accommodate that even if I have been getting some feedback, internationally, that we

should be stricter but we have to be cognizant of the limitation of our own entities,” he added.

According to Mr. Lee, the commission has an internally circulating draft of the updated guidelines, but it has yet to set a date for the issuance.

“The aggressive timeline will be the third quarter for public comment. So, the implementation would be either in the fourth quarter this year or first quarter next year,” he said.

In past interviews, the SEC’s position was also to include non-publicly listed companies in the directive.

“I had to change positions because the feedback shows that it is not viable, I think this goes back to the point that

no matter how much I want it to happen, no matter how much I want to insist and force the issue, I have to be cognizant, I have to be aware of reality,” Mr. Lee said.

“Because rather than being supportive of business, I might be, inadvertently, a hindrance to business. We still want to be known for ease of doing business,” he said.

“Very quickly, if we mandate this for the smaller corporations like even one-person corporations, it might discourage them, so, we have to acknowledge that. That’s the context why the direction is like that, we are limiting it for now to publicly listed companies,” he added. — **Justine Irish D. Tabile**

## Financial sector demand for IT services expected to continue

SOLUTIONS provider Kyndryl Philippines is expecting continuing growth in demand for information technology (IT) services from the financial sector, its top official said.

“The financial segment will be an area where there is a lot of continuing investments in technology. A lot of banks right now are trying to go digital, that’s the current trend at the marketplace right now,” Wilson Go, managing director at Kyndryl Philippines, said in a briefing on Tuesday.

Mr. Go said that it is a way for financial institutions to help the unbanked get into the banking ecosystem.

Aside from the financial sector, Kyn-

dryl Philippines is also seeing growing investments from the manufacturing and consumer packaged goods (CPG) sectors.

“In the area of manufacturing, we see the adoption of technologies such as 5G and VPNs (virtual private networks). We also have customers in the CPGs. They are also having continuing investments because now they are starting to go and engage their customers directly,” Mr. Go said.

This trend in CPGs arose from the pandemic, which shifted the companies’ strategy of going through distributors to engage with customers, he added. — **Justine Irish D. Tabile**

FULL STORY



Read the full story by scanning the QR code or by typing the link <bit.ly/3IXZqit/>

## Empire East earmarks P25-B capex

EMPIRE East Land Holdings, Inc. said on Tuesday that it plans to invest P25 billion in capital expenditure (capex) projects in the next five years in line with its portfolio expansion.

In a media release, the listed housing developer said the capex infusion was driven by its efforts to “further solidify its commitment to meeting all project timelines.”

It added that the company acquired 426 hectares of prime properties adding to its land bank for future developments.

“Our portfolio is continuously expanding due to the progressing demands of Filipinos aspiring to own a home,” said Empire East President and Chief Executive Officer Anthony Charlemagne C. Yu in a statement.

The company said that it had spent P3 billion last year on construction and development activities.

Meanwhile, during the first quarter, the company reported a 15.1% jump in attributable net income to P205.78 million from P178.72 million in the same period last year.

The company’s consolidated revenues amounted to P1.31 billion in the three-month period, up 7.4% from P1.22 billion the previous year.

Its real estate sales for the period increased by 4.6% to P1.14 billion from P1.09 billion in the same quarter last year.

Sales growth was mainly driven by its various projects, which include San Lorenzo Place, The Paddington Place, Kasara Urban Resort Residences, Pioneer Woodlands, The Rochester Garden, Covent Garden, The Cambridge Village, The Sonoma, Mango Tree Residences, and Little Baguio Terraces.

Empire East is engaged in the development of mid-cost housing projects such as condominiums, subdivision lots, house and lot units, and commercial units.

Its subsidiaries include Eastwood Property Holdings, Inc.; Valle Verde Properties, Inc.; Sherman Oak Holdings, Inc.; Empire East Communities, Inc.; and 20<sup>th</sup> Century Nylon Shirt Co., Inc.

It also has ownership interests in companies such as Laguna BelAir Science School, Inc.; Sonoma Premier Land, Inc.; and Pacific Coast Megacity, Inc.

On Tuesday, Empire East shares fell by 2.98% or a centavo to P0.16 apiece. — **Adrian H. Halili**

## Review of Grab Philippines’ refund, Move It deal sought

OPPOSITION lawmakers on Tuesday called for a review of ride-hailing company Grab Philippines for its continued inability to refund customers for overpriced fares as well as its acquisition of motorcycle (MC) taxi firm Move It.

“We are concerned that Grab’s repeated refusal to sincerely comply with the authorities stems from its actual monopoly of the TNVS (transportation network vehicle services) market,” House Assistant Minority Leader and Party-List Rep. Arlene D. Brosas said in a media briefing.

After acquiring the MC taxi firm mid-last year, Grab said that Move It continues to operate independently, with its own set of driver’s benefits and support measures separate from Grab’s motorcycle riders.

Ronald Gustilo, national campaigner of Digital Pinoys, said in a news briefing that onboarding activities for applicant riders are conducted on Grab’s premises.

“Grab is claiming that it’s operating separately with Move It but we see that this is not true,” he said in Filipino. “In fact, in the materials of Move It for their

onboarding activities, the address which they ask applying riders to go to is the address of Grab’s facility in Marikina.”

In October last year, Transportation Secretary Jaime J. Bautista said that Grab’s acquisition of Move It does not need a review as it is a private transaction.

In a statement sent to *BusinessWorld* via Viber, Move It said it “reaffirms its commitment to operating in strict accordance with government regulations, prioritizing passenger and rider-partner safety, and upholding fare transparency.”

It also said that it was “actively collaborating” with the MC taxi technical

working group to ensure that all rider-partners undergo “mandatory training and assessment, irrespective of their prior work experience.”

## PENALTIES

Ms. Brosas noted that Grab customers have only received 73.8% of the total P25.45-million fine imposed by the Philippine Competition Commission in 2019 for overpriced fares.

“They have repeatedly shown disregard to compliance orders by agencies,” she said. — **Beatriz Marie D. Cruz**

Cebu Landmasters launches 3<sup>rd</sup> tower of Bohol beach town

CEBU LANDMASTERS, Inc. (CLI) has launched the third and final tower of Costa Mira Beachtown Panglao, its beachside residential project in Bohol through a joint venture with Lite Properties Corp.

In a statement on Tuesday, CLI Chairman and Chief Executive Officer Jose R. Soberano III said the launch would “accommodate more residents aspiring for an inspiring and relaxed life in Bohol.”

He said the project, which was designed as a tropical paradise, showcases Bohol’s rich culture and natural resources “while standing out as signature CLI development.”

The opening of the new tower will increase the property’s inventory to 1,056 units, which is spread across three residential categories, the company said. Its studio unit measures 22 to 25.36 square meter (sq.m.), while a one-bedroom unit offer 38.85 sq.m. to 45.88 sq.m. with a balcony. A two-bedroom unit spans 51.40 sq.m. The units’ price ranges from P2.8 million to P8 million.

The new tower is part of the P5.3-billion tropical beach community at Totolan town in Dauis, Panglao Island which spans 4.05 hectares.

“Strategically located near Dauis Bridge that leads to the provincial capital Tagbilaran City, the development connects residents to modern conveniences while being surrounded by natural wonders, including having convenient access to Bohol’s top dive spots,” the company said.

Up to 80% of the property’s first two towers had already been sold since the launch a few months ago, it said.

The beach town property includes amenities such as adult and kiddie pools, a playground, gym and jogging paths, a clubhouse, and indoor and outdoor lounges that provide spaces for “social interactions or peaceful introspections.”

“Making each unit at this Bohol property special is the design inspiration that takes cues from the local culture. The masonry wall finish and ceilings are painted to reflect the relaxing beauty of Panglao, while porcelain floor tiles provide a sleek and modern look,” it added.

The Panglao property is the second development under the company’s beach town residences following the initial launch of its Costa Mira property in Mactan, Cebu.

Lite Properties is an affiliate company of Lite Shipping Corp. of the Lim family of Bohol that operates a fleet of roll-on/roll-off ferries across the country. — **Adrian H. Halili**