

Philippine Stock Exchange index (PSEi)

6,404.91 ▼ 19.30 PTS. ▼ 0.3%

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BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P624.00 +P9.00 +1.46%	ACEN ACEN Corp. P5.11 +P0.04 +0.79%	AEV Aboitiz Equity Ventures, Inc. P53.85 +P1.85 +3.56%	AGI Alliance Global Group, Inc. P13.06 -P0.44 -3.26%	ALI Ayala Land, Inc. P23.70 +P0.40 +1.72%	AP Aboitiz Power Corp. P37.50 +P1.00 +2.74%	BDO BDO Unibank, Inc. P140.80 -P0.20 -0.14%	BPI Bank of the Philippine Islands P106.50 -P0.50 -0.47%	CNVRG Converge ICT Solutions, Inc. P10.70 +P0.30 +2.88%	DMC DMCI Holdings, Inc. P9.15 -P0.05 -0.54%
EMI Emperador, Inc. P21.70 +P0.20 +0.93%	GLO Globe Telecom, Inc. P1,706.00 -P19.00 -1.1%	GTCAP GT Capital Holdings, Inc. P490.00 +P5.00 +1.03%	ICT International Container Terminal Services, Inc. P200.00 ---	JFC Jollibee Foods Corp. P241.40 +P1.40 +0.58%	JGS JG Summit Holdings, Inc. P45.10 -P0.55 -1.2%	LTG LT Group, Inc. P9.36 +P0.01 +0.11%	MBT Metropolitan Bank & Trust Co. P52.90 -P0.10 -0.19%	MER Manila Electric Co. P329.40 +P0.80 +0.24%	MONDE Monde Nissin Corp. P7.40 -P0.59 -7.38%
MPI Metro Pacific Investments Corp. P4.55 +P0.09 +2.02%	PGOLD Puregold Price Club, Inc. P28.70 -P0.30 -1.03%	SCC Semirara Mining and Power Corp. P28.00 ---	SM SM Investments Corp. P910.00 -P14.00 -1.52%	SMC San Miguel Corp. P107.50 +P0.50 +0.47%	SMPH SM Prime Holdings, Inc. P33.10 -P0.40 -1.19%	TEL PLDT Inc. P1,359.00 +P29.00 +2.18%	UBP Union Bank of the Philippines P74.05 -P1.65 -2.18%	URC Universal Robina Corp. P129.80 -P7.00 -5.12%	WLCON Wilcon Depot, Inc. P25.30 +P0.60 +2.43%

Local workers to be hit by Grab's 1,000 layoff

PHILIPPINE employees of Singapore-based Grab Holdings Ltd. will be affected by the mass layoff which the ride-hailing company announced on Wednesday.

"[We] can confirm that the Philippines is affected too — but again, we won't be providing any numbers or breakdowns," Grab Philippines said in a statement.

According to the local transport network company, it has already sent out notices to employees it will be laying off.

"It is a very difficult period also for us because we are letting go

of our employees. The focus right now is to make sure that we look after those who are staying and those who are also leaving," said Grab Philippines, or MyTaxi.PH, Inc.

Anthony Tan, Grab's group chief executive officer, announced in a statement on Tuesday night that the company will be laying off 1,000 employees.

Multinational technology company Grab operates in Singapore, Malaysia, Cambodia, Indonesia, Myanmar, Philippines, Thailand, and Vietnam.

"I want to be clear that we are not doing this as a shortcut to profitability. Over the past couple of years, we've been consistent in managing costs tightly in all areas of our operations and on improving platform efficiency," said Mr. Tan, who is Grab's co-founder.

He said the reorganization of the group is meant to help the company adapt to the changing landscape of digital services.

"The primary goal of this exercise is to strategically reorganize ourselves, so that we can move faster, work smarter, and rebal-

ance our resources across our portfolio in line with our longer-term strategies," he said.

Amid the announcements of a mass layoff, digital advocacy group Digital Pinoy sought assistance from the Department of Information and Communications Technology (DICT) and the Department of Labor and Employment (DoLE).

"[The DICT and DoLE] should check if there are Filipinos affected by the massive layoff of Grab employees and ensure that their rights and welfare under Philippine Laws are followed," said Ron-

ald Gustilo, national campaigner of Digital Pinoy, in a statement on Thursday.

"Tech companies should respect Philippine labor laws. If they are to terminate any Filipino employee, regardless of the nature of employment, it should still comply with our labor code. Our agencies should ensure that these laws are implemented," he added.

Sought for comment, Grab said in a statement: "Of course, we will follow. That is the goal. Our commitment is that we will follow the policies and laws for each specific

market and that also includes the Philippines."

In his letter to Grab employees, Mr. Tan enumerated the support that the company will provide, which includes severance pay, goodwill payment of an ex gratia amount, encashment of unused annual leave and GrabFlex credits, extended medical insurance coverage, maternity and paternity leave encashment, and completion bonus.

In 2020, the company announced a mass layoff that affected 360 employees. — **Justine Irish D. Tabile**

YCC eyes Batangas data center to start by 3rd quarter 2024

LOCAL digital infrastructure firm YCO Cloud Centers (YCC) expects to complete its Batangas data center by the latter part of 2024, its top official said.

"We are looking towards the third quarter of 2024 to be able to start delivering real capacity to the market," YCC Chief Executive Officer Nikolas de Ynchausti told *BusinessWorld* during its launch event.

Mr. Ynchausti added that the company will focus on hyperscalers, wholesale enterprises and potentially, telecommunication companies to use its facilities.

"We try to stay neutral," he said, adding that what the Philippines needs are players who "want to contribute infrastructure to help develop the [country], and that's how we want to position ourselves."

Additionally, the company plans to expand its data center network outside of serving Metro Manila.

"We have been working with a lot of government officials, entrepreneurs, [and] businesspeople who see that [data centers] are the next step for the country. We have been looking at locations based on that," he said.

He said the company is planning another location for a data center but did not provide the exact site.

"We are not just looking at the National Capital Region, we're looking at all other areas of the Philippines where there is demand and need. We will go there," Mr. Ynchausti said.

He added that the company is looking at potential locations throughout the country, with possible areas such as Iloilo, Cebu, and Ilocos Norte.

The company started construction of its data center in March at the Light Industry and Science Park IV of the Science Park of the Philippines, Inc. in Malvar, Batangas.

The data center is expected to contain four halls spanning 1,400 square meters each designed to provide locators with 3 megawatts (MW) of critical load for a total of 12 MW.

It is designed to meet the market's demand for co-location, build-to-suit, enterprise, hyperscale, powered shell, and private data hall suites.

YCC is a digital infrastructure company formed to take advantage of the growing demand for data centers and digital infrastructure in the Philippines. It is an affiliate of JJ-Ynchausti Ventures, Inc. — **Adrian H. Halili**

Manila Water targets local and international expansion

MANILA Water Co. Inc., is planning to expand its business in the Philippines and overseas, a company official said on Thursday.

The east zone water concessionaire eyes a deliberate approach for expansion both domestically and abroad, Roberto R. Locsin, chief administrative officer of Manila Water, told reporters in a media gathering.

Manila Water serves Metro Manila's east zone network, which is made up of Marikina, Pasig, Makati, Taguig, Pateros, Mandaluyong, San Juan, portions of Quezon City and Manila, and several towns of nearby Rizal province.

For its expansion in the Philippines, the company plans to reach "highly dense populations," Mr. Locsin.

"We're optimistic but in the Philippines, we'd like to focus on highly dense populations. I'll give you an example: Davao City. One of the fastest-growing cities in Davao is Panabo. We want to be present [there]," he said.

He said the company is in talks with local government units in line with its target expansion.

"The idea is to talk with water districts that are large enough where we can make the investment work," he said.

Manila Water pursues local expansion initiatives through its subsidiary Manila Water Philippine Ventures, Inc.

For its overseas expansion, the company wants to have a presence in locations where International Container Terminal Services, Inc. (ICTSI) operates, Mr. Locsin said.

"Right now, we have a more robust view [of] our international expansion. In the past, I alluded to our company ICTSI and where they were present. So that kind of gives you an indication of where our interest lies," he said.

For the company's international expansion strategy, Manila Water is look-

ing at concession-based businesses, build-operate-own and build-operate-transfer schemes, and public-private partnerships for bulk water supply, Mr. Locsin said.

"We have a very strong capability in the industry through our estate water business in the Philippines. Replicating that and consolidating that really gives us an opportunity to talk to a lot of people," he said.

ICTSI and Manila Water are both chaired by Enrique K. Razon, Jr. Established in 1987, ICTSI operates 33 terminals in 20 countries across six continents. — **Ashley Erika O. Jose**

Philex Mining 'almost done' raising funds for Silangan mine

PHILEX Mining Corp. is close to raising the needed funding for its Silangan copper-gold project in Surigao del Norte, which it aims to start commercial operations by 2025, its top official said on Thursday.

"We are now almost done securing the whole funding of the project which includes financing from the Philex SRO (stock rights offering), project financing debt syndication of Silangan, and from additional cash infusion from [Philex] cash reserves," Philex Mining Chief Executive Officer Eulalio B. Austin said during the listed mining company's virtual annual stockholders meeting.

"Everybody is excited with the start of the Silangan project," he said.

Mr. Austin said the company is in the final stage of negotiation for the debt syndication component of the funding plan, which is expected to be completed "in due time."

"In the meantime, we are proceeding with the major development works of the project on the ground that includes the completion of the box cut portal and commencement of tunneling works," he said.

In 2021, the company announced its plan for the project, placing its development cost at \$224 million for an estimated 571 tons worth of mineral resources.

The Silangan project will initially process 2,000 tons of ore in a day until this reaches 12,000 tons or four million tons annually upon its completion.

Meanwhile, Mr. Austin said the operations of Philex Mining's underground mine in Padcal, Benguet may still go beyond 2027 after it identified mineable reserves.

"Its extension to 2027 is the sixth time and there's always a possibility of another extension given that there are remaining mineral resources at Pagcal, Sto. Tomas that can still be declared as reserves, subject to the further studies

and reassessment of the existing mine facilities," he said.

The underground Padcal mine is located in Tuba, Benguet province. Its operation started in 1958 and was scheduled to cease operation by the end of 2024 after several extensions.

Earlier this year, the company signed a nonbinding term sheet with Macawili Gold Mining and Development Co., Inc. in a bid to acquire the latter's gold mine in Itogon, Benguet.

Mr. Austin said Philex Mining would "relentlessly pursue" its engagement with Macawili. He also cited the same for the exploration of the company's nickel property in Zambales.

In 2022, the company posted an attributable income of P1.8 billion, down 27% from P2.43 billion in 2021. Its core net income reached P1.73 billion, down 32% from P2.53 billion in 2021, which it attributed to lower revenues and higher operating costs.

Gross revenues dropped 4% last year to P10.09 billion from P10.49 billion previously brought about by the decline in metal output and prices of gold and copper.

"While global uncertainty will continue to persist in 2023 and the years to come, we have more reasons to be optimistic that the best years have yet to come for Philex Mining," said Mr. Austin.

Philex Mining is one of three Philippine units of Hong Kong-based First Pacific Co. Ltd., the others being Metro Pacific Investments Corp. and PLDT Inc. Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has interest in *BusinessWorld* through the Philippine Star Group, which it controls.

Shares in Philex Mining closed Thursday at P2.62 apiece, down by four centavos or 1.5%. — **Sheldeen Joy Talavera**

Fake meat firms are failing as money dries up and hype begins to fade

UNREAL Food ended its pursuit of an eggless egg. Remastered Foods stopped developing vegan bacon. The Meatless Farm halted its plant-based sausages.

The great shakeout in the world's fake meat sector is here and it's widening.

As money flows less freely due to surging interest rates, investors have sharply pulled back funding just as inflation increases production costs and makes consumers more selective about their food choices. That's hitting a crowded field, which had mushroomed after the early success of Beyond Meat Inc. and Impossible Foods Inc.

With shoppers put off by excessive processing, nutritional value and taste, a growing list of alternative-protein companies are shutting down, laying off staff and selling themselves. Industry observers say more turmoil is coming before the sector stabilizes.

"You probably need a bit of a clear out in some of these categories to allow winners to come through," said Mark Lynch, a partner at Oghma Partners in London, a corporate-finance advisory specializing in the food and beverage sector. Fewer players means resources will be more concentrated and survivors will control more of the available shelf space, he added.

Enthusiasm for alternatives to beef and pork surged in the aftermath of Beyond Meat's 2019 initial public offering, and venture capitalists were willing to invest in companies that offered little more than a recipe book.

But sales haven't matched wildly optimistic

projections, as high prices and odd tastes and textures made the costly products easy to cross off shopping lists. The spate of failures extends from plant-based proteins and vertical farmers, to insect breeders and lab-grown meats. Global investment in food and agriculture tech dropped 44% in 2022, according to AgFunder.

The downturn has so far mainly claimed obscure names and early-stage companies, like Canada's Merit Foods and China's Hey Maet.

But in the UK, two up-and-coming companies recently appointed administrators: The Meatless Farm laid off staff at its headquarters in Leeds, while Plant & Bean got hit by soaring food and energy prices just two years after opening a mega factory in Lincolnshire.

The upheaval is part of an adjustment phase that happens in almost every high-growth consumer segment from smoothies to popcorn, said Andy Shovel, co-founder of British plant-based meat company THIS, whose sales are up about 45% this year.

The result will be less confusion at stores, better quality and prices getting closer to meat, according to Shovel. "From a customer's point of view, this is only good news," he said.

Industry stalwarts have also stumbled. Beyond Meat, which has seen its market value drop over 90% from its peak, has had multiple rounds of layoffs in the past year, as has Impossible Foods. Cuts have also affected Spain's Heura Foods and California-based Eat Just Inc., which has continued to expand distribution in the US. — **Bloomberg**

FULL STORY



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