Phinma maps expansion after control over units

PHINMA Corp. plans to step up its expansion plans after acquiring a majority stake in the subsidiaries of its parent firm, an official of the listed holding firm said.

"This was part of our one Phinma objective where we are trying to consolidate the ownership of the operating companies of the group from Phinma, Inc. in our listed entity," Deputy Group Chief Financial Officer Edmund Alan A. Qua Hiansen told *BusinessWorld* on the sidelines of a company event last Wednesday.

Mr. Hiansen added that the acquisition would provide the subsidiaries with a platform to raise funds to grow their businesses.

"We are very optimistic about the future of all our core business units," he said. "The Phinma Group is in a growth trajectory right now. Consolidating the investments is one thing; the next step is to continue our growth."

In a previous disclosure, the company said it had signed the deed of absolute sale for five of the subsidiaries for a total of P2.34 billion.

The company acquired the 8% additional stake in Phinma Education Holdings, Inc. for P1.06 billion. The education unit currently has about 10 schools within its portfolio. The acquisition resulted in 75.2% ownership of the unit.

Phinma also purchased 36.7% of Phinma Property Holdings Corp. for P588.88 million. It now owns 86.3% of the property development subsidiary.

The company likewise bought shares in Phinma Hospitality, Inc. and Phinma Microtel Hotels for P251.24 million and P21.19 million, respectively. The companies are the management and master franchisor of the group's Microtel and TRYP hotels.

After the acquisition, Phinma now owns 63.8% of Phinma Hospitality and 51% of Phinma Microtel.

Additionally, the company also acquired 63.47% of ABCIC Property Holdings, Inc. for P409.39 million. The purchase resulted in Phinma owning about 90% of the subsidiary.

Mr. Hiansen said that the company, through its property unit, will venture into township development, starting with around 20 hectares in Western Visayas.

He added that the company is set to invest up to P420 million and will be targeting the low to middle housing market segments.

Phinma intends to put up a hotel in its proposed township projects via the Microtel and TRYP hotel brands, he said, "and if the location is right maybe including the education business as well."

"We are looking at more townships... but we are really focused on areas outside of Metro Manila and growing urban communities," he said.

"What we want to do is to provide it where [there] is not enough supply and there is still demand for people who want to live in a township," he added.

Additionally, Mr. Hiansen said Phinma is eyeing to start development for its insulated panel facility in Pampanga next year.

"We are in discussions with a foreign joint venture partner, who we think is world-class in these facilities so they can share the technical knowledge with us," he added.

The company said earlier that it plans to spend around P500 million to construct a new facility. It also aims to produce approximately one million square meters of insulated paneling materials every year.

Meanwhile, Mr. Hiansen said that the company is optimistic about the growth outlook of its businesses.

"There are exciting prospects that we continue to evaluate as we make these investments, we believe that they should be value accretive to the group," he added. — **Adrian H. Halili**

PSE adds Figaro, CREIT, Raslag to sector indices

THE Philippine Stock Exchange (PSE) is adding three newly listed companies to the composition of sector indices but is keeping unchanged the 30-constituent main index, it said over the weekend.

In a media release, the exchange said Figaro Coffee Group, Inc., Citicore Energy REIT Corp. (CREIT), and Raslag Corp., which held their initial public offering in the previous year, will be included after a composition review.

The local bourse operator said that after its review covering the trading period of July 2022 to June 2023, the 30 most liquid and well-capitalized listed firms in the PSE index (PSEi) will be unchanged.

"The regular screening of these barometers ensures that only the most eligible companies comprise these indices since they are used as benchmarks to gauge the market's performance," PSE President and Chief Executive Officer Ramon S. Monzon said.

The PSE said there will be no changes in the member companies of the financials and holding firms indices.

In the services sector, the PSE is adding Belle Corp., DFNN, Inc., DigiPlus Interactive Corp., and Harbor Star Shipping Services, Inc. and removing Transpacific Broadband Group International, Inc.

The property index will see the inclusion of CREIT, Ever-Gotesco Resources and Holdings, Inc., and MRC Allied, Inc., while D. M. Wenceslao and Associates, Inc. and Primex Corp. will be removed.

Shakey's Pizza Asia Ventures, Inc. and Roxas and Co., Inc. will be removed from the industrial index, with Raslag and Figaro as their replacement.

Figaro will also be included in the PSE's dividend yield index, replacing CREIT.

Additionally, Lepanto Consolidated Mining Co. will be taken out of the mining and oil index.

"In order to qualify for PSEi and sector indices inclusion, a listed firm must be among the top companies in terms of liquidity and market capitalization and it should also have a free float level of at least 20%of its outstanding shares," the exchange said.

"Relevant financial criteria as well as eligibility for early inclusion are also taken into account by the PSE in the index review," it added. — **Adrian H. Halili**

FULL STORY

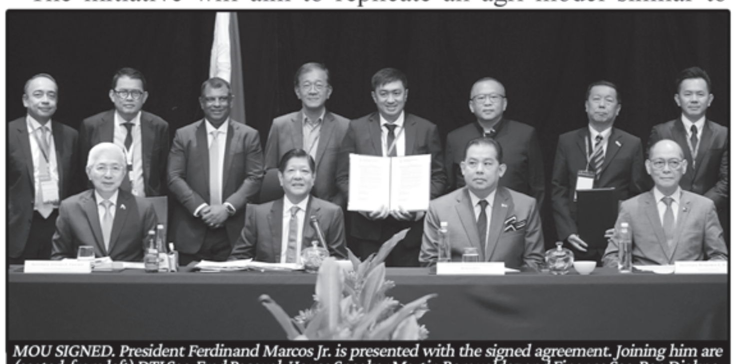
Read the full story by scanning the QR code with your smartphone or by typing the link **<http://bit.ly/3YkA6de>**

PH-MALAYSIA PRIVATE SECTOR COOPERATION. Philippines President Ferdinand Marcos Jr. joined ASEAN Business Advisory Council (BAC) Philippines Chair and Go Negosyo founder Joey Concepcion as they met with Malaysian business leaders in a roundtable meeting and business forum last July 27, 2023 during the President's State Visit to Malaysia. In the photo are (from left) ASEAN BAC Malaysia Chair Tan Sri Nazir Razak, Concepcion, President Marcos, Philippine Chamber of Commerce and Industry President George Barcelon, and Air Asia CEO Tony Fernandes.

PH, MALAYSIA ASEAN BAC EXPLORE AGRI COOPERATION AND MSME DEVELOPMENT

Two private sector groups representing Malaysia and the Philippines signed a Memorandum of Understanding here last July 27, 2023 to explore joint efforts in agriculture development, focusing on palm oil, rubber and other agricultural commodities that may thrive in the Philippines and Malaysia. The MOU was signed on behalf of ASEAN Business Advisory Council (ASEAN BAC) Malaysia and ASEAN BAC Philippines by their respective Chairs, Tan Sri Nazir Razak and Joey Concepcion. The signing was witnessed by Philippines President Ferdinand Marcos Jr. during his meeting with Malaysian business leaders as part of his three-day State Visit to Malaysia.

The initiative will aim to replicate an agri model similar to



MOU SIGNED. President Ferdinand Marcos Jr. is presented with the signed agreement. Joining him are (seated, from left) DTI Sec. Fred Pascual, House Speaker Martin Romualdez and Finance Sec. Ben Diokno. Looking on are ASEAN BAC's Joey Concepcion and Tan Sri Nazir Razak, Air Asia CEO Tony Fernandes, and members of the Malaysian business community.

Kapatid Angat Lahat sa Agri Program (KALAP) to achieve inclusive and sustainable agriculture through the integration of small farmers into the value chain of large companies, and allowing them to benefit from the transfer of technologies and economies of scale. KALAP is an initiative of Go Negosyo, the non-profit founded by Concepcion to promote entrepreneurship and advocate for the development of Filipino MSMEs.

"Public-private partnerships are essential as we move toward regional economic integration and make our agriculture industries productive and competitive," said Concepcion. "We have already several of these big-brother models in the Philippines covering prime commodities like tobacco, coconut and rice, with large Philippine companies like Universal Leaf, Lionheart Farms and Yovel East successfully implementing their inclusive models in the communities where they operate," he said. Concepcion said they are aiming to encourage more big-brother companies to participate.

The MOU between the Philippines and Malaysia concerned specifically the possibility of jointly conducting studies and mentorship channels for potential agriculture, agriculture technology, food security, agripreneurship business models, and value chain development.

Also present during the private sector meet were Department of Trade and Industry Sec. Alfredo Pascual, and ASEAN Business Advisory Council members Antony Fernandes Philippine Chamber of Commerce and Industry President George Barcelon and Air Asia CEO Anthony Fernandes.

The MOU will also aim to identify the business requirements to develop trade and investment opportunities in palm oil, rubber, fruits, poultry, agricultural technology, and other agricultural products and services of Malaysia and the Philippines. "We are confident, that with this partnership with ASEAN BAC Malaysia and the leadership of Chairman Nazir Razak, that both our countries will benefit from sharing our experiences in these areas," said Concepcion.

Razak said that ASEAN-BAC Malaysia is happy to facilitate potential partnerships between prominent players in relevant fields from the two countries. "Food security is a major challenge for Malaysia, with imports of food accumulated to RM482.8 billion while our food export was only RM39 billion between 2012 to 2022," said Razak. "Malaysia needs to not only reduce our food import bills but also become competitive in food agriculture," he said.

Concepcion said he was elated that President Marcos was present to witness the signing, and vowed to continue in various efforts for MSMEs in the Philippines and in the region. Already, the ASEAN Mentorship for Entrepreneurs Network (AMEN), which is the Philippines's legacy project from its chairmanship, has already been rolled out to the ten ASEAN member-states

ASEAN BAC Philippines Chairman Joey Concepcion shares with Malaysian businessmen and President Ferdinand Marcos Jr. the Philippine experience with Kapatid Angat Lahat sa Agri Program, and how the MOU explores expanding it through the partnership with ASEAN BAC Malaysia.

after securing funding from the Japan-ASEAN Integration Fund.

"With AMEN now ongoing and successful, we want to move a step further. We need to scale up our farmers, fix the land issues so that we achieve the minimum viable point of 24 hectares to achieve scale, and help farmers use technology and incorporate them into the value chain of big corporations while making sure they receive their equitable share," he said.

Concepcion said that similar agreements will be explored with countries that have a strong agriculture industry, such as Indonesia, Vietnam, Thailand, Cambodia and possibly Myanmar.

Career platform Bossjob aims to double users by end-2023

HOMEGROWN chat-first career platform Bossjob is looking at doubling the number of users to more than 5 million by the end of 2023, its top official said.

"As we progress towards broader internationalization and diligently nurture our talent mobility ecosystem, we conservatively estimate that the number of registered users will double to over 5 million by the end of 2023," said Bossjob Co-Founder and Chief Executive Officer Anthony Garcia in an e-mail interview.

As of July, the company has 2.9 million users across Southeast Asia. By 2026, the company is targeting to increase its users to over 30 million.

As part of its international expansion, the company is looking at entering the Hong Kong market by the third quarter of this year.

"Bossjob's expansion in Hong Kong is currently in a steady progress phase. Our current strategy emphasizes on continuously building and strengthening our global capabilities, constructing bridges between international talents and companies in various countries, and fostering a talent mobility ecosystem," the company said.

This month, the company announced its expansion in Japan, which it said has companies that exhibit high demand for talent.

"Japan currently faces a talent deficit, especially in the information technology (IT) industry, despite a growing demand for recruitment driven by its rapidly recovering economy," the company said.

"The Japanese Ministry of Economy, Trade, and Industry projects that its IT industry could face a talent shortfall ranging from 160,000 to a staggering 790,000 by 2030," it added.

Back in May, the company entered the Singapore and Indonesian markets as the two showed an actual demand for talent and exhibited speed of economic growth.

Bossjob said the Philippines remains the source for tech talent recruitment from companies in Singapore, Japan, the United States, and Germany.

"The Philippines remains the preferred destination for global business process outsourcing primarily due to its high transaction volume, cost-effectiveness, proficient English skills among Filipinos, and entrepreneurial tech mindset," it said.

"Over the past decade, the Philippine market has held strong appeal for mainstream technology and innovation-driven companies," it added. — **Justine Irish D. Tabile**

Intel up on surprise profit

INTEL Corp. jumped after the beleaguered chip-making pioneer declared an end to the personal computer slump and said the second half of 2023 will show that its long-awaited comeback is underway.

The outlook suggests Intel has turned a corner after sluggish demand for PC chips battered its business. Chief Executive Officer Pat Gelsinger said inventory of those components is now back to normal levels, prompting customers to resume orders. He expects a sustained recovery in year's final six months for that side of the business.

The latest numbers — and the market's reaction — are "indicative of that turning point for the company," Mr. Gelsinger said Friday in an interview on Bloomberg Television. "It's nice bouncing off the bottom. We still have a long way to go."

Mr. Gelsinger spoke a day after Intel surprised Wall Street with a second-quarter profit and a bullish sales forecast for the current period that topped analysts' estimates. Intel surged 5.9% to $36.57 at 1:18 p.m. in New York, pushing the stock toward its biggest rally since March 29. It was at or near the top of major US equity indexes.

Mr. Gelsinger said the server part of Intel's operations isn't recovering as quickly as hoped, however. Sluggishness in China and weaker-than-expected demand at some cloud and corporate customers are weighing on the division, he said. While that slump will linger into the third quarter, he expects a recovery in the last three months of the year.

Management had previously promised that the second half of the year would show improvement, and now investors are seeing fresh evidence of that. Minus certain items, Intel expects to post earnings of 20 cents a share in the current quarter, compared with a 13-cent profit projection.

Sales in the third quarter will be as much as $13.9 billion, compared with an average analyst estimate of $13.3 billion. Intel's shares rose more than 8% in late trading after the report was released, marking the second straight post-earnings rally for the chipmaker.

But the company remains in the early stages of a turnaround, which hinges on reestablishing Intel's once-bulletproof lead in chip technology. Mr. Gelsinger said Intel is on course or slightly ahead of plans to adopt new manufacturing advances — an effort to regain its technological leadership by 2025.

Though Intel stock has gained 31% this year through Thursday's close, that underperformed a rally by chip-related shares. The Philadelphia Stock Exchange Semiconductor Index is up 49% in 2023.

Intel predicted that its gross margin — the portion of sales remaining after deducting the cost of production — would be 43% in the third quarter. That compares with an estimate of just under 41%. The company, one of the few in the industry that doesn't outsource production, has been running its plants at less than full capacity. That's helped reduce the amount of supply in a market where customers already had too much inventory. — ***Bloomberg***