

## Philippine Stock Exchange index (PSEi)

6,309.57

▲ 40.07 PTS.

▲ 0.63%

TUESDAY, NOVEMBER 28, 2023

BusinessWorld

## PSEI MEMBER STOCKS

<b>AC</b> Ayala Corp. P657.00 +P5.00 +0.77%	<b>ACEN</b> ACEN Corp. P4.80 -P0.11 -2.24%	<b>AEV</b> Abotiz Equity Ventures, Inc. P47.85 -P0.80 -1.64%	<b>AGI</b> Alliance Global Group, Inc. P10.20 —	<b>ALI</b> Ayala Land, Inc. P31.00 +P1.10 +3.68%	<b>BDO</b> BDO Unibank, Inc. P131.50 -P0.60 -0.45%	<b>BLOOM</b> Blossom Resorts Corp. P9.75 -P0.22 -2.21%	<b>BPI</b> Bank of the Philippine Islands P104.50 +P1.10 +1.06%	<b>CNPF</b> Century Pacific Food, Inc. P30.45 +P0.05 +0.16%	<b>CNVRG</b> Converge ICT Solutions, Inc. P8.32 +P0.12 +1.46%
<b>DMC</b> DMCI Holdings, Inc. P9.20 -P0.10 -1.08%	<b>EMI</b> Emperador, Inc. P20.80 -P0.05 -0.24%	<b>GLO</b> Globe Telecom, Inc. P1,719.00 -P21.00 -1.21%	<b>GTCAP</b> GT Capital Holdings, Inc. P555.00 -P5.00 -0.89%	<b>ICT</b> International Container Terminal Services, Inc. P220.00 +P1.60 +0.73%	<b>JFC</b> Jollibee Foods Corp. P234.80 -P3.60 -1.51%	<b>JGS</b> JG Summit Holdings, Inc. P38.90 +P0.45 +1.17%	<b>LTG</b> LT Group, Inc. P8.91 +P0.02 +0.22%	<b>MBT</b> Metropolitan Bank & Trust Co. P51.50 -P0.45 -0.87%	<b>MER</b> Manila Electric Co. P368.00 -P2.60 -0.7%
<b>MONDE</b> Monde Nissin Corp. P8.30 -P0.05 -0.6%	<b>NIKL</b> Nickel Asia Corp. P5.06 -P0.01 -0.2%	<b>PGOLD</b> Puregold Price Club, Inc. P27.70 -P0.25 -0.89%	<b>SCC</b> Semirara Mining and Power Corp. P28.95 -P0.05 -0.17%	<b>SM</b> SM Investments Corp. P845.00 +P11.00 +1.32%	<b>SMC</b> San Miguel Corp. P106.00 -P0.90 -0.84%	<b>SMPH</b> SM Prime Holdings, Inc. P33.95 +P1.45 +4.46%	<b>TEL</b> PLDT Inc. P1,260.00 -P1.00 -0.08%	<b>URC</b> Universal Robina Corp. P117.00 -P4.10 -3.39%	<b>WLCON</b> Wilcon Depot, Inc. P19.88 +P0.18 +0.91%

## ADB: Potential NAIA bidders seek longer deadline

THE Asian Development Bank (ADB) has recommended extending the bid submission deadline for the rehabilitation of the Ninoy Aquino International Airport (NAIA) until January next year.

In a document obtained by reporters, the bank said the proposal is meant to give potential bidders more time to prepare and submit their bids, which it said would result in "more competition and a better financial outcome for the Philippine government."

"It would also provide concrete evidence of the government's commitment to encourage new players, and foreign investment in Philippine public-private partnerships (PPP), without causing undue delay to NAIA's modernization and the PPP program," said ADB, the project's transaction advisor.

To date, the Department of Transportation (DoTr) said NAIA's rehabilitation had attracted eight potential bidders.

The department initially set the deadline for bid submission on Dec. 27. It earlier said that it expects to announce the winning bidder by the first quarter of 2024.

In November, it announced that a Turkish airport operator had joined seven other entities that have bought bidding documents for the project that will upgrade the Philippines' main gateway.

The other potential bidders eyeing NAIA's rehabilitation are Incheon International Airport Corp., San Miguel Holdings Corp., Manila International Airport Consortium, Cengiz Insaat Sanayi ve Ticaret A.S., GMR Airports International,

Spark 888 Management, and Asia Airport Consortium.

Of the prospective bidders, four entities have requested an extension, the ADB said, adding that if the bid submission will not be extended only two entities can comply.

"Four including large, credible international airport operators with no prior investment in the Philippines have requested an extension," it said.

It noted that the entities had asked for more time "to request and analyze additional information" from the Manila International Airport Authority and the DoTr.

It added that the entities also requested "to secure their internal corporate approvals, which will take longer in light of the upcoming holiday season."

NAIA's rehabilitation aims to decongest the airport by helping improve its annual passenger capacity to 62 million from the current 35 million.

The ADB warned that if the initial December deadline is retained, only two prospective bidders — largely big corporations — would be able to submit bids.

"They have both submitted unsolicited proposals for NAIA in the past and are thus significantly more familiar with NAIA than the other four prospective bidders," ADB said.

It said that extending the bids would attract more bidders and would ensure a competitive avenue that may yield a better financial outcome for the government.

"The winning bidder would have bested robust competition

from a larger number of bidders giving the public further assurance that the concession was awarded to the best possible bidder. It would also send a strong statement that the government is committed to ensuring a level playing field for all investors, now that recent reforms allow local and foreign investors to compete for NAIA on the same terms, without foreign ownership restrictions," it said.

Separately, a representative from the DoTr said in a Viber message confirmed that some prospective bidders had requested an extension of the bid submission date.

However, the prequalification, bids, and award committee or PBAC for the project has issued a bid bulletin indicating that the

bid submission date remains on Dec. 27, 2023, the source added.

According to the NAIA-PPP concession agreement, the contract term for the project is 15 years, extendable by another 10 years. The project will be a rehabilitate-operate-expand-transfer arrangement, as provided for under the Build-Operate-and-Transfer Law.

NAIA's rehabilitation aims to decongest the airport by helping improve its annual passenger capacity to 62 million from the current 35 million.

The winning bidder for the airport upgrade is required to pay an upfront amount of about P30 billion and an annual payment of P2 billion, plus a share of revenue, according to the draft concession agreement. — **Ashley Erika O. Jose**

## Ayala-led IMI appoints Larrazabal as chairman

LISTED Ayala subsidiary Integrated Micro-Electronics, Inc. (IMI) has named Alberto M. de Larrazabal as its new chairman of the board after his predecessor resigned.

IMI said in a stock exchange disclosure on Tuesday that Mr. Larrazabal, who is an incumbent director, is replacing former director and chairman of the board Delfin L. Lazaro, who resigned due to personal circumstances.

According to the company, Mr. Larrazabal's appointment was approved by the board of directors and endorsed by its corporate governance and nomination committee on Nov. 24.

Meanwhile, the listed company said the vacancy on its board is to be filled up "in due course."

IMI is the manufacturing arm of AC Industrial Technology Holdings, Inc., a wholly owned subsidiary of Ayala Corp. The company manufactures electronics for various markets such as automotive, industrial electronics, and aerospace.

As of September this year, its attributable net loss expanded to \$85.26 million from \$4.71 million in the same period last year.

The company's nine-month revenues dipped 0.9% to \$1.03 billion from \$1.04 billion a year ago. — **Revin Mikhael D. Ochave**

## AC Health readies P3-billion cancer care hospital

THE healthcare arm of Ayala Corp. is set to open its P3-billion Healthway Cancer Care Hospital (HCCH) in Taguig City early next year, marking the full operation of what is said to be the country's first specialty hospital for cancer.

"We plan to open our operations by phases," said Jenara Rosanna F. Ong, HCCH chief operating officer, during a media briefing on Tuesday. "By first week of January [2024], we are targeting to open all our services, including operating room, intensive care units, and the wards."

Located at Arca South, the hospital was inaugurated on Nov. 24. HCCH is under the Healthway Medical Network, which is a part of the AC Health ecosystem.

The new hospital, which has five floors, offers 100 beds, 18 chemotherapy infusion units, four specialized operating theaters, two advanced endoscopy rooms, and two linear accelerators. It also features an expanded outpatient chemotherapy unit and an integrated outpatient department with a specialized women's health center.

AC Health President and Chief Executive Officer Paolo Maximo F. Borromeo said during the media briefing that HCCH already has 200 doctors on its roster.

"Not all of them are practicing exclusively. We don't demand exclusivity but we do demand commitment," Mr. Borromeo said.

"Our vision is to be the leading private cancer care institution, providing world-class treatment but at lower cost, so we can extend the best value, private cancer treatment to a broader base of Filipinos," he added.

According to AC Health, the launch of HCCH is in response to the need for "affordable and accessible cancer care services to Filipinos."

"We saw that over 100,000 cases a year were diagnosed, and estimated that at least another 100,000 were undiagnosed. Of those that were diagnosed, many diagnosed late stage, many left untreated due to the hopelessness and the massive financial burden," Mr. Borromeo said.

Meanwhile, Mr. Borromeo said that Healthway Medical Network is set to open

new outpatient centers in Cebu, Cagayan de Oro, and Davao by yearend to early January next year, which would put its total outpatient centers to 15.

"We are opening the three new branches in December to January. What makes our model very unique is we are an integrated ecosystem. Everything is connected," he said.

Mr. Borromeo added that there are no plans yet for AC Health to have an initial public offering (IPO).

"Probably not in the near term. But for us at Ayala Corp., we also want to make sure that we are incubating businesses within the group," he said when asked about the possibility of an IPO.

As of September, Ayala Corp. saw a 35% increase in its attributable net income to P32.31 billion from P23.90 billion a year ago as consolidated revenues improved 13.5% to P245.38 billion.

Shares of Ayala Corp. at the local bourse rose P5 or 0.77% to P657 apiece on Tuesday. — **Revin Mikhael D. Ochave**

## Eastern Telecommunications says its services now reach Pangasinan

TELECOMMUNICATIONS company Eastern Communications is expanding its footprint by extending its services to Pangasinan as part of its commitment to help boost digitalization growth.

"Expanding to Pangasinan provides us an immense opportunity to finally be able to bridge our services in Northern and Central Luzon. We have

long been eyeing Pangasinan as a key expansion area for its advantages in the agro-industrial sectors and its increasing economic activities," Michael Castaneda, vice-president and head of sales, said in a statement on Tuesday.

The company has expressed its interest in supporting Pangasinan's economic opportunities where the telecommunications company said it

aims to bridge other economic zones and provinces through tools and platforms to enhance digitalization within the province.

"Eastern Communications stands ready to support Pangasinan's vision to boost its MSME sector. With its business-grade connectivity services and ICT solutions, enterprises of all sizes can avail of necessary tools to

guarantee expansion and success," the company said.

Eastern Communications equips businesses with cloud and data services to allow them to accommodate large-scale applications and secure storage. The company also said it tailor-fits internet solutions to cater to their business needs and operations. — **A.E.O. Jose**

## Energy transition seen backed by wind, solar resources

WIND and solar energy resources are seen to drive the country's transition into cleaner energy, according to top energy players, who highlighted the need to boost the transmission infrastructure.

"We don't think that geothermal potential in the Philippines would close that gap of 5,000 megawatts (MW) of renewables. We believe that a lot of that will be driven by solar and wind, which have low output or low capacity factor," said ACEN Corp. President and Chief Executive Officer Eric T. Francia during the BusinessWorld Economic Forum last week.

Mr. Francia said that the Philippines needs to build 18,000 MW of renewables to adjust to the low

capacity factor of solar and wind resources.

"When we now look forward, by 2030 and beyond, the country is growing at 5-6% per year and that translates to about 1,000 megawatts of new capacities that we need to build every year," Mr. Francia said.

Looking at the next seven years and beyond, he said that the country will need to build around almost 6,000 MW of "clean" capacity, which is to be driven by solar and wind sources.

ACEN is building solar and wind power projects with a total capacity of 1,100 MW, of which 700 MW is expected to be operational in the next three to six months, Mr. Francia said.

Currently, ACEN has approximately 4,430 MW of attributable capacity spanning the Philippines, Vietnam, Indonesia, India, and Australia.

Meanwhile, Abotiz Power Corp. (AbotizPower) President and Chief Executive Emmanuel V. Rubio said that there is a need to balance "variable" renewable energy (RE) sources to ensure grid preparedness for its buildout.

"What's not being discussed is that energy needed to balance the variability of solar and wind," he said, adding that the power grid can manage only up to a certain level of renewable energy capacity.

AbotizPower has set a target net attributable capacity of 9,200 MW and a 50:50 balance between

its RE and thermal portfolios by the end of the decade.

Mr. Rubio said that the country's energy transition needs to consider a lot of things.

As of end-2022, renewables accounted for about 22% of the Philippines' power generation mix. The government wants to increase the share to 35% by 2030 and 50% by 2040.

"It's easy to actually discuss and simplify things but it's not simple. The transition has to be well-managed and well-planned and every time there's a discussion on transition to cleaner energy, I think what has to be put into the table is also about climate justice and energy equity," he said. — **Sheldene Joy Talavera**

## Globe boosts 5G network coverage

GLOBE Telecom, Inc. said on Tuesday that it is continuing to boost its fifth generation (5G) network coverage with 716 new sites.

"With the robust expansion of our 5G network, we are not just enhancing connectivity; we are shaping a future where every Filipino is empowered with global, cutting-edge communication capabilities," Rebecca Eclipse, chief customer experience officer at Globe, said in a media release on Tuesday.

The company said it had expanded its 5G network coverage as of September with new sites, increasing its outdoor coverage to 97.67% in the National Capital Region and 92.06% in Visayas and Mindanao.

The listed telecommunications company said that for September, 5.2-million 5G devices had been connected to Globe, "signifying growing adoption among Filipinos."

It added that its 5G roaming coverage also expanded to Guatemala, South Africa, Nigeria, Kazakhstan, Laos, Seychelles, India, Peru, Aland Islands, Crete, Croatia, and Romania.

Further, Globe said its capital expenditure stood at P54 billion as of September this year, the majority of which, or about 91%, was allocated towards data improvement services.

Separately, the company said it is targeting to maintain its mobile data growth after recording at least a 3% increase in its mobile business.

At the local bourse on Tuesday, shares in the company shed P21 or 1.21% to end at P1,719 apiece. — **A.E.O. Jose**