Villar's AllHome posts 21% income decline

VILLAR-LED AllHome Corp. logged a 21% decline in its net profit for the third quarter on the back of lower sales.

In a regulatory filing on Wednesday, AllHome said its net profit from July to September dropped to P139.55 million from P176.48 million last year.

The company's third-quarter sales fell 3.5% to P2.74 billion versus the P2.84 billion posted in 2022.

In contrast, AllHome said its net income for January to September rose 46% to P582 million from P399 million a year ago.

The higher net income comes despite the company's nine-month sales falling 3.6% to P8.78 billion from P9.11 billion last year due to lower demand.

"This was brought about by the weakened demand in the hard categories as customers deferred their purchases for home construction and finishing owing to rising inflation, while soft categories remained steady," AllHome said.

AllHome Chairman Manuel B. Villar, Jr. said the company is expecting a strong performance in the fourth quarter and a positive outlook for next year.

"We are heading into [the] last quarter of 2023 — historically strong for AllHome — and beyond that, a positive 2024 outlook," Mr. Villar said. "We are confident in the performance of our soft categories, as this shows that new homeowners are now entering into the furnishing stage, and we see this further picking up to close out 2023."

"This uptick in AllHome's soft categories also coincides with a holiday season where travel and movement restrictions from the pandemic are gone, and overseas Filipino workers will be coming home to their families, which only bodes well for AllHome," he added.

Meanwhile, AllHome President and Chief Executive Officer Benjamarie Therese N. Serrano said the company is pleased with its business results as of September.

"We set out to implement initiatives towards optimization of our operations across the board: store revenue potential, energy and manpower initiatives — even warehousing. We are glad to see all of these bear fruit," Ms. Serrano said.

"While we saw some slowing in our hard category performance, we also see a unique opportunity to wrestle market share from our competitors. In addition to our hard categories, the AllHome value proposition of one-stop full-line home center allows us to present to an attractive alternative to in terms of unique offerings and convenience to our customers," she added.

On Wednesday, shares of AllHome at the local bourse fell eight centavos or 5.71% to P1.32 apiece. — **Revin Mikhael D. Ochave**

Phoenix Petroleum and Chelsea Logistics incur wider Q3 net loss

PHOENIX PETROLEUM Philippines, Inc. incurred a net loss of P1.62 billion in the third quarter (Q3), wider than its P948.61 million loss in the same quarter last year, amid lower revenues.

Its gross revenues sank by 35.8% to P15.25 billion from last year's record of P23.74 billion, the listed independent oil firm said in its quarterly financial report disclosed on Wednesday.

For the July-September period, revenues from the sale of goods declined by 36.5% to P14.7 billion from P23.14 billion a year ago.

Fuel service and other revenues were slightly down by 0.3% to P507.21 million while rent income slid by 51.4% to P42.07 million.

The third quarter's net loss brought Phoenix's nine-month losses to reach P3.68 billion, or more than three times the P1.07 billion suffered in the same period in 2022.

From January to September, the company's topline stood at P42.80 billion, lower by 57.2% from the P99.92 billion posted last year.

The company attributed the decline to the 46.7% decrease in total volume sold at 1,156 million liters versus the 2,177 million liters last year.

It said the decline in domestic volume was a result of the implementation of its Third-Party Supply Model or 3PS where a third party supplies the oil firm's retail requirements directly and in return, the company earns service income.

During the three quarters, revenues from its sale of goods in the Philippines went down by 69.9% to P10.45 billion from last year's P34.67 billion.

Sales revenues also dropped in Singapore and Vietnam, sinking by 53.5% to P27.88 billion and 21.9% to P2.85 billion, respectively.

For its depot and logistics segment, revenues during the period rose by 2.5% to P1.61 billion from P1.57 billion last year.

Real estate revenues increased 41.2% to P12.82 million from last year's P9.07 million.

Phoenix said last month that its board of directors had approved its divestment from its trading and supply subsidiary PNX Petroleum Singapore Pte. Ltd., in which it held an 85% stake as of September, via a share buyback.

The company explained that the move was aimed to "generate additional working capital to support core business operations."

It also announced that it was looking at entering into a sale-and-leaseback agreement with BDO Unibank, Inc. to restructure its debts.

Assets involved in the proposal are some terminals, depots, and retail stations.

At the local bourse on Wednesday, shares of the company went down by P0.83 or 13.88% to close at P5.15 apiece.

CHELSEA LOGISTICS

Chelsea Logistics and Infrastructure Holdings Corp. recorded a net loss of P613.52 million in the third quarter, wider than the P489.14 million incurred a year earlier.

FREEPIK

From July to September, its total revenues went up by 2.9% to P1.77 billion from P1.72 last year, the quarterly financial report of the shipping and logistics arm of the Udenna group showed.

The company's improved revenues for the period were pulled down by higher expenses for the period.

For the nine months through September, the company trimmed its net loss to P1.04 billion from P1.49 billion a year ago.

Nine-month gross revenues climbed by 15.6% to P5.35 billion from P4.63 billion in the corresponding period last year.

The company attributed its higher top line to its shipping business, which recorded P5 billion in revenues for the period, or about 93% of its total revenues.

Broken down, its passage business accounted for P1.4 billion of revenues, while the freight segment contributed P2.4 billion, which it said was due to higher cargo volumes.

The charter and tugboat segments generated revenues of P462 million and P281 million, respectively.

Further, logistics revenues recorded P378 million as of September.

Total expenses for the period, however, reached P5.3 billion, a 3.3% climb, from P5.13 billion in the same period last year.

Meanwhile, Chelsea Logistics has expressed optimism about sustaining its growth momentum.

"This improvement in our revenue's performance is a testament to the hard work, dedication and innovation of our entire team, who have adapted to the challenges and opportunities of the changing market," said Chryss Alfonsus V. Damuy, the company's president and chief executive officer.

Chelsea Logistics will continue to strengthen its business segments as it aims to return to profitability, he said.

"As we enter the fourth quarter of the year, the Group is confident that we will maintain our momentum and meet our strategic objectives. We have a robust pipeline of new products and services, a devoted and expanding customer base, and a clear vision for the future," said Ignacia S. Braga IV, chief financial officer of Chelsea Logistics.

At the local bourse on Wednesday, shares in the company closed unchanged at P1.24 apiece.

Both Phoenix and Chelsea Logistics are chaired by Davao City businessman Dennis A. Uy. — **Sheldeen Joy Talavera** *and* **Ashley Erika O. Jose**

Grab delivery-partners actively participate in a series of forums and town halls, engaging in discussion with Grab as the platform introduces the effort-based earning model.

Grab delivery riders optimistic in new earnings model

- *Following the implementation of the effort-based model, leaders from the Grab rider community have reported stable to slight increase in their earnings*
- *For its part, Grab is firm against misinformation discrediting the company and the new earning model*

Leaders from the Grab delivery-partner community expressed their cautious optimism about the newly introduced effort-based model. Over the past two weeks since the launch of the restructured earning model, the community leaders have noted that their average income has either remained at par or has incrementally improved.

The rider leaders highlight how the new effort-based model is addressing their existing concerns by incorporating pickup distance and the merchant waiting time in their earnings computation. *"Natutuwa ako na ngayon, nasasama na sa* computation *ang* waiting time *tsaka 'yung* effort, *kumbaga, papunta sa* merchant. *'Yung kita ko, napansin ko hindi bumababa kumpara sa dati, minsan tumataas pa,"* shares Jerry from the Grab delivery-partner community.

Continued Assessment and Observation

The initial results of the Metro Manila implementation of the effort-based model attest to its efficacy. Following this, rider leaders are pushing for continued collaboration with Grab to assess and calibrate the earning model in response to emerging trends and the ever-evolving macroeconomic landscape. *"Totoong maganda ang paunang resulta ng bagong* earning model *ni* Grab. *Ngunit, dahil itong bagong* model *ay nagsisimula pa lamang, sinisigurado namin ang bawat miyembro ng aming komunidad na patuloy tayong makikipag-dayalogo kay* Grab *upang mas mapabuti ang mga programa tulad ng* effort-based model," notes John, a rider from Gen T Valenzuela Tambayan.

In a separate statement, Grab has committed to closely monitoring the outcomes of the new earning model. Currently, Grab is complementing the effort-based model with guaranteed minimum fares and holistic incentive programs to ensure earning viability for riders.

Two-Way Communication

The rider leaders have expressed their community's gratitude for Grab's proactive approach in fostering open dialogues with the rider community. Among them is Mon, who underscores the significance of actively participating in Grab's forums and discussion platforms to facilitate a constructive exchange of ideas with the company's leadership. *"Aktibo talaga akong sumasama sa mga* forum *ni* Grab, *lalo na pag alam kong maapektuhan 'yung aming kita. Natutuwa ako na may ganoong klaseng* opportunity *para kami mismo makapagbahagi ng aming opinyon sa liderato ng* Grab."

Mon also appreciates that Grab has made feedback and dispute mechanisms available for its delivery-partners. In light of the effort-based model launch, Mon shared that Grab activated a new help portal for riders to file reports around concerns like fare computation and actual merchant waiting time. This is crucial in ensuring that the riders' earnings calculations adhere to the model.

Trust in the Platform

The rider leaders have recognized their industry colleagues' apprehension, acknowledging that changes can often be overwhelming. Bong, however, is confident that as Grab continues to reach out, educate and obtain riders' feedback regarding the new effort-based model, riders will gain a clearer understanding of its advantages and how it aligns with the current market and economic conditions — ultimately ensuring the platform's sustainability. Bong shares, *"Sa tagal ko na sa* Grab, *bilang isa sa mga* pioneers *noong* 2018, *marami na akong nakitang pagbabago. Natural lang na may mga tanong at kaunting kalituhan sa umpisa ng mga ganitong bagong patakaran, pero meron na kong kumpiyansa sa mga pinapatupad ni* Grab *dahil nakita ko kung paano ito nakakatulong sa aming mga* riders, *tulad na lamang nitong* effort-based pricing. *Sana sa mga kapwa kong* delivery riders, *intindihin nating maigi ang mga ganitong klase ng panukala bago magpadala sa ating emosyon at saloobin ng mga ibang tao, lalo na 'yung mga wala naman talaga sa ating hanay."*

Bong highlights that the rider community acknowledges that Grab remains to offer the most competitive earning model versus other delivery platforms in the Philippines. In the same forum with Grab, leaders from various delivery-partner communities recognized the company's commitment to optimizing the earnings potential of its delivery-partners to enable them to earn substantially above the minimum wage.

Battling Misinformation

For its part, Grab Philippines emphasized its firm stance against the misinformation being propagated to malign Grab and the new earning model to the delivery-partners. Grab is committed to imposing sanctions on entities that disseminate false information both within and outside the Grab delivery-partner community.

Delivery-partners are instead encouraged to approach any rider leader to clarify their questions and check relevant content shared via the Grab driver app.