

Philippine Stock Exchange index (PSEi)

6,272.46

▲ 113.98 PTS.

▲ 1.85%

MONDAY, JUNE 24, 2024
BusinessWorld

PSEi MEMBER STOCKS

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| AC Ayala Corp. P585.00 +P20.00 +3.54% | ACEN ACEN Corp. P4.68 +P0.03 +0.65% | AEV Aboitiz Equity Ventures, Inc. P38.60 -P0.20 -0.52% | AGI Alliance Global Group, Inc. P8.70 -P0.21 -2.36% | ALI Ayala Land, Inc. P27.70 +P1.30 +4.92% | BDO BDO Unibank, Inc. P128.00 +P0.70 +0.55% | BLOOM Bloomerry Resorts Corp. P10.00 -P0.10 -0.99% | BPI Bank of the Philippine Islands P111.50 +P1.70 +1.55% | CNPF Century Pacific Food, Inc. P33.85 +P1.80 +5.62% | CNVRG Converge ICT Solutions, Inc. P10.78 +P0.18 +1.7% |
| DMC DMCI Holdings, Inc. P11.10 -P0.06 -0.54% | EMI Emperador, Inc. P18.54 -P0.36 -1.9% | GLO Globe Telecom, Inc. P1,975.00 +P47.00 +2.44% | GTCAP GT Capital Holdings, Inc. P574.00 +P20.00 +3.61% | ICT International Container Terminal Services, Inc. P331.00 +P15.00 +4.75% | JFC Jollibee Foods Corp. P218.00 +P7.00 +3.32% | JGS JG Summit Holdings, Inc. P25.50 — | LTG LT Group, Inc. P9.99 -P0.01 -0.1% | MBT Metropolitan Bank & Trust Co. P68.00 +P0.75 +1.12% | MER Manila Electric Co. P360.40 +P2.40 +0.67% |
| MONDE Monde Nissin Corp. P10.00 — | NIKL Nickel Asia Corp. P3.84 +P0.02 +0.52% | PGOLD Puregold Price Club, Inc. P24.70 -P0.15 -0.6% | SCC Semirara Mining and Power Corp. P32.70 -P0.05 -0.15% | SM SM Investments Corp. P838.50 +P2.50 +0.3% | SMC San Miguel Corp. P102.80 +P0.80 +0.78% | SMPH SM Prime Holdings, Inc. P27.00 +P1.30 +5.06% | TEL PLDT Inc. P1,360.00 +P10.00 +0.74% | URC Universal Robina Corp. P104.00 +P0.50 +0.48% | WLCON Wilcon Depot, Inc. P17.70 -P0.10 -0.56% |

Emperador sets P6.5-B capex to support its whiskey business

EMPERADOR, Inc. said it allocated P6.5 billion for its capital expenditure (capex) budget this year to strengthen its whiskey business.

Bulk of the capex was allotted for the expansion of the Dalmore distillery, slated for completion in the second half of the year, Emperador said in a statement to the stock exchange on Monday.

Emperador allocated a reduced capex this year compared to the P7-billion budget allotted last year.

"The expansion will double the capacity of the current Dalmore distillery," the company said.

"The company has also started expanding the maturation complex in Invergordon, building more warehouses for whiskey aging to house the additional liquid to be produced by the larger Dalmore distillery," it added.

Emperador also intends to use its capex to finance distillery upgrades in alignment with Whyte & Mackay's objective to achieve carbon neutrality by 2030.

"Distillery upgrades will be made to make operations more efficient and sustainable. Among Whyte & Mackay's sustainability projects are an anaerobic digestion bioenergy center, and a biomass boiler system," the company said.

A small portion of the capex will be used to upgrade the machinery and equipment of the brandy business for more efficient operations, it added.

Meanwhile, Emperador President Winston S. Co said during the virtual annual stockholders' meeting on Monday that the company is "built for long-term growth."

"We believe that this year, we will continue to perform hopefully better than last year. When you look at the horizon for the next five years, we are excited of the prospects because we believe that there will be a rebound in consumer spending, particularly on the super luxury category," Mr. Co said.

"We are in the process of expanding the Dalmore facility. The Dalmore expansion will be fully completed by the end of the year. We will be able to double our capacity so we will be able to meet future requirements," he added.

Emperador Investor Relations Officer Kenneth V. Nerecina said the company expects an even split between its brandy and whiskey revenues by next year.

"Moving forward, we remain very much optimistic about the

long-term potential of Emperador. We both have diversified product and market portfolios that support our contemporize, premiumize, and internationalize strategy," he said.

Emperador's brand portfolio includes Emperador Brandy, Fundador brandy, The Dalmore, Fettercairn, Jura, and Tamnavulin Single Malt Scotch whiskeys. The products are available in more than 100 countries across the globe.

For the first quarter, the company logged a 25% drop in its attributable net income to P1.8 billion as consolidated revenue and other income fell by 16% to P13.1 billion due to the slowdown of the global spirits markets.

Emperador shares fell by 1.9% or 36 centavos to P18.54 apiece on Monday. — **Revin Mikhael D. Ochave**

PhilTower closes acquisition of 1,148 towers from Globe Telecom, progresses towards full purchase

GLOBE Telecom, Inc. said it is close to finalizing its tower sales to Phil-Tower Consortium, Inc. (PhilTower) after selling another 48 towers for P710 million.

This brings PhilTower's total acquisitions to 1,148 towers, or 85% of the planned 1,350 towers, Globe said in a statement on Monday.

Globe said proceeds from this transaction will yield additional funds for its future capital expenditure, debt repayments and will improve the company's balance sheet.

In 2022, Globe signed an agreement with PhilTower for the sale of its 1,350 telecommunication towers and related passive infrastructure for about P20 billion.

In the same year, Globe also signed an agreement with Miescor Infrastructure Development Corp. (MIDC) and Tower Associates Philippines, Inc. for the sale of 5,709 telecommunication towers and related passive infrastructure for about P71 billion.

Frontier is set to acquire a total of 3,529 towers for P45 billion, while MIDC will acquire 2,180 towers for P26 billion.

PhilTower is a local tower company. It builds shared telecommunication infrastructure for mobile operators.

For this year, Globe is allocating \$1 billion for its capital expenditures funded by internally generated funds, debts, and proceeds from its tower sales.

At the local bourse on Monday, shares in the company closed P47 or 2.43% higher at P1,975 each. — **Ashley Erika O. Jose**

NPC: JFC says data breach affects 11M customers

THE National Privacy Commission (NPC) announced on Monday that it had been notified by the Jollibee group of a data breach affecting approximately 11 million data subjects.

According to the NPC, Jollibee reported at 11:38 a.m. on June 22 about a potential unauthorized access to its data lake, which contains data for all companies within the group.

The data breach is reported to have compromised sensitive personal information, including dates of birth and senior citizen identification card numbers.

"Approximately 11 million data subjects are affected, the majority of whom are Jollibee customers. Other impacted brands include MangInasal, Red Ribbon, Chowking, Greenwich, Burger King, Yoshinoya, and Panda Express," the NPC said.

"Jollibee Foods Corp. (JFC) has requested an additional 20 days to complete its internal investigation," it added.

In a disclosure to the Philippine Stock Exchange, JFC said: "The company is addressing the incident and has implemented its response protocols and

deployed enhanced security measures to further protect the company's and its subsidiaries' data against threats."

"The company has also launched its investigation on the matter to understand the scope of this incident, and is currently working with the relevant authorities and experts in its investigation," it added.

According to JFC, while the breach impacted several subsidiaries, its own and its subsidiaries' e-commerce platforms remain unaffected and operational.

"JFC recognizes the value and importance of the confidentiality of the personal information of its stakeholders," the company said.

"The company assures the public of its commitment to prioritize the protection and confidentiality of such personal information, including customer data, by continuously fortifying its defenses against future threats," it added.

The data breach at JFC marks the fifth incident reported by NPC this month alone. — **Justine Irish D. Tabile**

Hermosa-San Jose line now fully energized — NGCP

THE National Grid Corp. of the Philippines (NGCP) said it has fully energized the Hermosa-San Jose (HSJ) 500-kilovolt (kV) transmission line with a capacity of 8,000 megawatts (MW).

"NGCP completes this landmark energy project under the leadership and guidance of President Ferdinand R. Marcos, Jr.," the grid operator said in a statement on Monday.

"This marks the full completion and energization at full capacity of this critical facility, strengthening and expanding the grid under NGCP," it added.

The P17.3-billion HSJ transmission line was initially energized in May 2023 to fa-

cilitate power generation in Bataan, with a transfer capacity of 2,000 MW.

It spans across the provinces of Bulacan, Pampanga, and Bataan.

Initially, only a quarter of the full 8,000-MW capacity of Lines 1 and 2 was transferred, pending completion of the then unfinished section of the line.

In July 2023, a portion of the line owned by PHirst Park Homes, Inc. was the subject of a temporary restraining order (TRO) issued by the Supreme Court.

Upon receiving the TRO, NGCP halted activities along Towers 170-178 of the line, thereby halting the ongoing stringing of the remaining circuit.

"With the completion of this critical project, NGCP is optimistic that the ERC (Energy Regulatory Commission) will act on the overdue recoveries applied for by NGCP," the company said.

The grid operator reported that the ERC has authorized NGCP to recover only P19 million, which constitutes 0.1% of the total project cost.

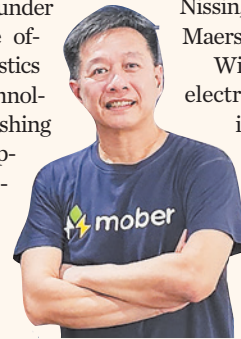
The HSJ transmission line forms part of the P20.94-billion Mariveles-Hermosa-San Jose 500-kV line. It consists of 395 transmission towers, 275.6 circuit kilometers of transmission lines, two new substations, and 2,000 megavolt-amperes in substation capacity. — **Shelden Joy Talavera**

BW ONE-ON-ONE

Mober's Dennis Ng pushes for e-vehicles in last-mile logistics

By **Revin Mikhael D. Ochave**
Reporter

DENNIS O. NG, founder and chief executive officer of green logistics startup Mober Technology Pte., Inc., is pushing for the broader adoption of electric vehicles (EVs) in the last-mile delivery market, citing the logistics sector as a major contributor to carbon emissions.



DENNIS O. NG

"For us in the logistics, transportation, and delivery sectors, we need to reduce emissions since we are always on the road," Mr. Ng said in an interview with *BusinessWorld*.

Last-mile delivery refers to the final leg of the delivery process. A report by Clean Mobility Collective and Stand.earth in July 2022 indicated that last-mile delivery contributes up to half of total delivery carbon emissions.

Mr. Ng is an accountant by profession, having graduated from Aquinas University of Legazpi City in Albay province, now known as the University of Santo Tomas-Legazpi.

He had a diverse background, including the salt business, showbiz magazine publishing, and other technology ventures, prior to establishing Mober.

"I've been a serial entrepreneur since childhood. It was challenging to ask for allowance back then," he said.

Mober was founded in July 2015 with the purpose of assisting small- and medium-sized enterprises with their on-demand logistical needs.

"Our first delivery was in January 2016. When I started Mober, it was an app. Technically, Mober is the first delivery app in the country," Mr. Ng said.

"However, the problem back then was raising funds. Being a Filipino startup during those times, the venture capitalists and investments were focused on Indonesia," he added.

Mr. Ng said that Hong Kong-based logistics giants Lalamove and GoGoVan (now GoGoX) dominated the last-mile delivery market when Mober was starting.

"We looked for something different in their systems. We were able to develop a system that allows mall retailers to book deliveries. They can also see the available timeslots. We designed that system to make sure that a driver will accept the delivery," he said.

"Unlike the on-demand nature of other companies in which people will book and the nearest available driver will accept the delivery. That is something that we have changed, differentiating us from other platforms," he added.

Recognizing the need to address carbon emissions, Mr. Ng transitioned Mober to an EV fleet in 2021.

Currently, Mober is enabling sustainable delivery for promi-

nent retail giants in the Philippines, including IKEA Philippines, SM Appliance Center, Unilever Philippines, Nestlé Philippines, Nespresso, and Monde Nissin, as well as logistics firms Maersk and Kuehne+Nagel.

With a fleet exceeding 60 electric vehicles and a charging hub in Pasay City, Mober is strategically positioned to aid businesses in decarbonizing their last and mid-mile delivery systems, Mr. Ng said. The company aims to achieve a fully electric fleet by 2025.

EMPOWERING MOM-AND-POP LOGISTICS BUSINESSES

Mr. Ng said that one of Mober's objectives is to empower mom-and-pop logistics businesses, referring to small trucking companies involved in the last-mile delivery market.

"I want to empower the mom-and-pop logistics companies. We have many of those small companies engaged in the trucking business. My next vision is for mom-and-pop logistics companies to be empowered by Mober," he said.

"They usually own five to ten trucks. It is very seldom that you can see a trucking company with hundreds of units," he added.

Mr. Ng said these companies would have challenges transitioning to an EV platform due to the infrastructure and cost requirements.

Under the plan, Mober can lease its EVs to mom-and-pop trucking businesses, which not only speeds up EV adoption but also strengthens their operations, he said.

"Do not go to the bank anymore. I will allow them to rent the EV. Then just continue your business, for example with Nestlé or with the other retailers. It could be like a tripartite agreement."

"We can set up a big charging station for Mober's use. At the same time, the mom-and-pop businesses can also charge there as well," he added.

EFFICIENCY NEEDED FOR LAST-MILE DELIVERY

Mr. Ng suggested that more efficiency is needed in the last-mile delivery market, saying that there could be improvements in the process.

"There is no need for innovation in the last-mile delivery segment. We just need to be more efficient," he said.

Mr. Ng also said one area for improvement is the reduced use of the cash-on-delivery (COD) option for a more efficient delivery.

"Cash on delivery is a hassle for last-mile delivery. The day before payday sees the highest number of delivery returns because receivers often don't have money yet," he said.

Mober is eyeing to be the leading green logistics delivery provider in the region by becoming the largest operator of delivery EVs in Southeast Asia.