

## Philippine Stock Exchange index (PSEi)

6,450.03

▲ 91.07 PTS.

▲ 1.43%

WEDNESDAY, JULY 3, 2024

BusinessWorld

## PSEi MEMBER STOCKS

<b>AC</b> Ayala Corp. P572.50 +P7.50 +1.33%	<b>ACEN</b> ACEN Corp. P4.92 +P0.03 +0.61%	<b>AEV</b> Aboliz Equity Ventures, Inc. P37.50 +P0.05 +0.13%	<b>AGI</b> Alliance Global Group, Inc. P8.66 ---	<b>ALI</b> Ayala Land, Inc. P29.00 +P0.50 +1.75%	<b>BDO</b> BDO Unibank, Inc. P133.90 +P5.40 +4.2%	<b>BLOOM</b> Bloomerry Resorts Corp. P9.78 +P0.28 +2.95%	<b>BPI</b> Bank of the Philippine Islands P116.70 -P0.10 -0.09%	<b>CNPF</b> Century Pacific Food, Inc. P33.30 -P0.70 -2.06%	<b>CNVRG</b> Converge ICT Solutions, Inc. P11.16 +P0.16 +1.45%
<b>DMC</b> DMCI Holdings, Inc. P11.10 +P0.08 +0.73%	<b>EMI</b> Emperador, Inc. P18.46 -P0.10 -0.54%	<b>GLO</b> Globe Telecom, Inc. P2,120.00 +P40.00 +1.92%	<b>GTCAP</b> GT Capital Holdings, Inc. P570.00 +P9.00 +1.6%	<b>ICT</b> International Container Terminal Services, Inc. P359.80 +P7.80 +2.22%	<b>JFC</b> Jollibee Foods Corp. P230.20 +P4.00 +1.77%	<b>JGS</b> JG Summit Holdings, Inc. P26.50 +P0.85 +3.31%	<b>LTG</b> LT Group, Inc. P9.60 ---	<b>MBT</b> Metropolitan Bank & Trust Co. P65.35 +P0.35 +0.54%	<b>MER</b> Manila Electric Co. P377.00 +P3.80 +1.02%
<b>MONDE</b> Monde Nissin Corp. P9.85 +P0.15 +1.55%	<b>NIKL</b> Nickel Asia Corp. P3.68 -P0.12 -3.16%	<b>PGOLD</b> Puregold Price Club, Inc. P24.65 +P0.40 +1.65%	<b>SCC</b> Semirara Mining and Power Corp. P33.40 +P0.70 +2.14%	<b>SM</b> SM Investments Corp. P839.50 +P11.50 +1.39%	<b>SMC</b> San Miguel Corp. P101.00 -P0.70 -0.69%	<b>SMPH</b> SM Prime Holdings, Inc. P28.45 +P0.35 +1.25%	<b>TEL</b> PLDT Inc. P1,440.00 +P10.00 +0.7%	<b>URC</b> Universal Robina Corp. P109.80 +P2.50 +2.33%	<b>WLCON</b> Wilcon Depot, Inc. P17.60 -P0.30 -1.68%

# CEB eyeing sale-leaseback deals for Airbus aircraft — Gokongwei

BUDGET CARRIER Cebu Pacific, operated by Cebu Air, Inc. (CEB), is confident in securing financing for its P1.4-trillion Airbus aircraft order through a combination of equity injections and loans, its top official said on Wednesday.

"We'll fund this from a combination of equity and loans; most of the lending for airplanes are generally done through sale and leaseback arrangements or through financing leases," Cebu Air Chairman Lance Y. Gokongwei told reporters on the sidelines of a launch event in Pasig City.

"Given Cebu Pacific's strong track record, we're the only privately owned carrier that did not default on its loans during the pandemic, we have a very strong credibility with the capital markets community. We're sure that we can get financing from either the bank market or the sale and leaseback market," he added.

The airline is buying up to 152 A321 new engine option (NEO) aircraft from European aircraft manufacturer Airbus, marking

the largest aircraft order in the Philippines.

The agreement is expected to be finalized in the third quarter.

"The deliveries will be from 2028 forward. We're still completing our previous deal, which will bring us all the way to 2027," Mr. Gokongwei said.

The budget carrier chose Pratt & Whitney GTF engines to power the aircraft, despite previously reported issues with the engine manufacturer.

"Airbus and Pratt & Whitney came forward with what we feel was the best offer. We're looking at the lowest unit cost to operate so that we can continue to provide affordable fares to the public."

Mr. Gokongwei added that the aircraft order is "premised on continuing Philippine growth."

"The main trigger we saw was President Ferdinand R. Marcos, Jr.'s really sincere efforts and strong efforts to really expand infrastructure, including privatization. We now see that Manila

(Ninoy Aquino International Airport) has been privatized. Bulacan (airport) is a reality. That needs aircraft, and so we made this aircraft order," he said.

The airline's fleet currently consists of 73 Airbus and ATR aircraft.

On the budget carrier's plans for new routes, Mr. Gokongwei said the airline is considering destinations within the operational range of the new aircraft.

Cebu Pacific currently operates flights to 35 domestic and 24 international destinations spanning Asia, Australia, and the Middle East.

"Anything that is within our flying radius, about five hours. Both domestic and international. We've been adding a lot of flights lately. It is a function also of which airports are going to be privatized and are going to be opened up right away," he said.

"When we get the longer range Airbus 321s, which are available from early 2026, then we can go up to a seven, eight-hour range on a narrow body," he added.

## NEW AIRCRAFT DELIVERY

The company also announced on Wednesday that it had received its new Airbus A321NEO, progressing to almost half of the 17 aircraft delivery expected this year.

"We look forward to carrying more passengers to their chosen destinations as we continue to expand not only our network, but also our fleet," Cebu Pacific Chief Commercial Officer Alexander G. Lao said in a media release.

The brand-new aircraft arrived at the Ninoy Aquino International Airport on June 30 from Airbus' facility in Germany, Cebu Pacific said.

Airbus' NEO aircraft is known for its enhanced fuel efficiency, representing the latest generation of Airbus planes designed to be highly compatible with sustainable aviation fuel (SAF).

Currently, all Airbus aircraft are certified to operate with up to a 50% SAF blend, aligning with Cebu Pacific's goal of integrating green fuel across its network. — **R.M.D. Ochave and A.E.O.J.**

# Converge taps US firm for data center sustainability

CONVERGE ICT Solutions, Inc. announced on Wednesday a partnership with US-based Super Micro Computer, Inc. (Supermicro) to develop energy-efficient data centers aimed at reducing costs and environmental impact.

"Aside from being energy saving with its liquid cooling technology, Supermicro's servers provide exceptional AI (artificial intelligence) computing capabilities and intensive deep learning tasks that will allow us to support and deploy many AI applications," Converge Chief Executive Officer Dennis Anthony H. Uy said in a statement.

Converge announced in January its plan to allocate up to P5 billion over the next three years to build data centers that will host its planned digital platforms and store applications and information. The company intends to construct data centers in Pampanga, Laguna, and Caloocan.

The two companies recently signed a memorandum of understanding for the development of an AI-powered,

"green" data center in the country, Converge said.

Headquartered in California, USA, Supermicro is an IT solutions provider specializing in data centers and designing energy-saving servers, storage systems, and software. The company employs "liquid-cooling" technology to potentially reduce data center facility power consumption by up to 40%.

"These high-performing servers can handle immense AI and Machine Learning workloads but with the more efficient liquid cooling solution provided by Super Micro, the heat by-product will be controlled, reducing power consumption. We want to maintain our data center's energy efficiency, so this is geared towards that," Mr. Uy said.

With its tie-up with Supermicro, all of its data centers will be developed in line with Supermicro's design and process, Converge said.

At the stock exchange on Wednesday, shares in the company closed 16 centavos or 1.45% higher at P11.16 each. — **A.E.O. Jose**

# DD says ongoing Madrid hotel project tops \$10M in sales

LISTED property developer DoubleDragon Corp. (DD) on Wednesday said its ongoing hotel project in Madrid, Spain has achieved sales exceeding \$10 million.

The majority of these sales were recorded in the second quarter, DD said in a disclosure to the stock exchange.

The company anticipates securing over \$100 million (approximately P5.8 billion) in contracted unit sales over the next 12 months, driven by the momentum of its international projects.

Hotel101-Madrid, overseen by DD's subsidiary Hotel101 Global Pte. Ltd., commenced

construction in March and is set to become one of Madrid's largest hotels, featuring 680 rooms on a 6,593 square meter property along Avenida Fuerzas Armadas, Valdebebas.

Ferrovial Construcción, one of Spain's largest construction firms, is executing the project, with completion scheduled for the fourth quarter of 2025.

The property is surrounded by major landmark buildings and is about a three-minute walk to the Valdebebas Train Station, four-minute walk to IFEMA convention complex, five-minute walk to Real Madrid Sports Com-

plex, and around seven minutes away from the new Madrid Barajas International Airport.

Hotel101 is eyeing to have presence in 25 countries by 2026. These include the Philippines, Japan, Spain, USA, United Kingdom, United Arab Emirates, India, Thailand, Malaysia, Vietnam, Indonesia, Saudi Arabia, Singapore, Cambodia, Bangladesh, Mexico, South Korea, Australia, Canada, Switzerland, Turkey, Italy, Germany, France, and China.

On Wednesday, DD shares rose by 2.05% or 24 centavos, closing at P11.92 apiece. — **Revin Mikhael D. Ochave**

# Maynilad expands AI use for faster leak detection

MAYNILAD WATER Services, Inc. said it is expanding its use of artificial intelligence (AI) to monitor an additional 1,500 kilometers of pipelines for quicker leak detection and response.

"Through this advanced AI technology, we can proactively identify and address potential leaks in our water distribution system," Maynilad Chief Operations Officer Randolph T. Estrellado said in a statement on Wednesday.

Maynilad targets to minimize network losses and enhance water supply recovery for distribution.

"This not only enables us to respond more swiftly and efficiently to pipe network issues. It also significantly enhances our ability to conserve water resources and improve service reliability for our customers," Mr. Estrellado said.

The company said it uses AI technology called Infraware, developed by Portugal-based AGS (Administração e Gestão de Sistemas de Salubridade), a wholly owned subsidiary of Marubeni Corp.

Infraware functions as AI decision-making software that analyzes and identifies critical areas in Maynilad's pipe network for focused leak detection and replacement activities.

Maynilad initiated the application of this AI technology in October 2023, covering an initial area of 1,700 kilometers of water pipelines.

Following the pilot phase, the AI software generated a map pinpointing vulnerabilities across 750 kilometers of pipelines, facilitating the identification of 1,525 leaks.

Additionally, Maynilad uses AI technology from satellite-based

infrastructure intelligence company ASTERRA to detect underground pipe leaks.

This technology employs patented algorithms to track the spectral "signature" of potable water underground captured in satellite imagery. The leakage information is compiled into a geographic information system report detailing street locations, expediting the process of leak detection and repair.

"Integrating AI in Maynilad operations was driven by the need to maintain efficiency and accelerate the reduction of water losses," the company said.

"The company is continuously exploring other advanced technological solutions that have the potential to augment its existing equipment and capability on leak detection," it added.

# Gokongwei Brothers Foundation, Khan Academy team up to support education

THE PHILANTHROPIC ARM of the Gokongwei Group has partnered with the Philippine counterpart of nonprofit educational organization Khan Academy on Wednesday to help improve the country's education sector.

Gokongwei Brothers Foundation (GBF) will provide investment support and thought partnership to Khan Academy Philippines, which seeks to reach

one million learners by the end of 2026.

"Our partnership with GBF is both a thought partnership because they have been in the education space for 30 years, as well as investment support," Khan Academy Philippines Chief Executive Officer Geraldine Acuña-Sunshine said during the partnership's launch event in Pasig City.

"They provided a very important investment for us to get started. Going forward,

we will need a lot of partners because the education crisis is huge. We're really calling on other non-governmental organizations to support us, like in the telecommunications and gadget space," she added.

Founded by financial analyst Sal Khan in 2008, Khan Academy offers a global education technology platform.

Khan Academy Philippines is the first international franchisee of Khan

Academy. It aims to localize the platform's content and align it with the Department of Education's (DepEd) curriculum. — **Revin Mikhael D. Ochave**

## FULL STORY

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