

| Philippine Stock Exchange index (PSEi)                |                                                     |                                                                 |                                                                   |                                                                                     | 6,625.17                                                | ▲ 21.36 PTS.                                               | ▲ 0.32%                                                           | MONDAY, JANUARY 6, 2025<br>BusinessWorld                        |                                                                  |  |
|-------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------|------------------------------------------------------------------|--|
| PSEi MEMBER STOCKS                                    |                                                     |                                                                 |                                                                   |                                                                                     |                                                         |                                                            |                                                                   |                                                                 |                                                                  |  |
| AC<br>Ayala Corp.<br>P612.00<br>—                     | ACEN<br>ACEN Corp.<br>P4.12<br>+P0.02 +0.49%        | AEV<br>Aboltiz Equity Ventures, Inc.<br>P34.25<br>+P0.15 +0.44% | AGI<br>Alliance Global Group, Inc.<br>P8.82<br>-P0.01 -0.11%      | ALI<br>Ayala Land, Inc.<br>P27.00<br>+P0.05 +0.19%                                  | BDO<br>BDO Unibank, Inc.<br>P147.90<br>+P2.90 +2.00%    | BLOOM<br>Bloomerry Resorts Corp.<br>P4.92<br>+P0.06 +1.23% | BPI<br>Bank of the Philippine Islands<br>P124.00<br>-P0.50 -0.40% | CNPF<br>Century Pacific Food, Inc.<br>P42.90<br>+P0.75 +1.78%   | CNVRG<br>Converge ICT Solutions, Inc.<br>P16.50<br>-P0.02 -0.12% |  |
| DMC<br>DMCI Holdings, Inc.<br>P10.94<br>+P0.04 +0.37% | EMI<br>Emperador, Inc.<br>P18.06<br>-P0.02 -0.11%   | GLO<br>Globe Telecom, Inc.<br>P2,204.00<br>+P40.00 +1.85%       | GTCAP<br>GT Capital Holdings, Inc.<br>P631.50<br>-P8.50 -1.33%    | ICT<br>International Container Terminal Services, Inc.<br>P410.60<br>+P11.20 +2.80% | JFC<br>Jollibee Foods Corp.<br>P261.00<br>-P5.60 -2.10% | JGS<br>JG Summit Holdings, Inc.<br>P20.90<br>-P0.10 -0.48% | LTG<br>LT Group, Inc.<br>P10.40<br>-P0.06 -0.57%                  | MBT<br>Metropolitan Bank & Trust Co.<br>P75.25<br>+P0.15 +0.20% | MER<br>Manila Electric Co.<br>P482.00<br>-P3.60 -0.74%           |  |
| MONDE<br>Monde Nissin Corp.<br>P8.33<br>-P0.07 -0.83% | NIKL<br>Nickel Asia Corp.<br>P3.19<br>-P0.08 -2.45% | PGOLD<br>Puregold Price Club, Inc.<br>P30.05<br>-P0.30 -0.99%   | SCC<br>Semirara Mining and Power Corp.<br>P34.55<br>-P0.30 -0.86% | SM<br>SM Investments Corp.<br>P899.00<br>-P9.00 -0.99%                              | SMC<br>San Miguel Corp.<br>P83.90<br>+P0.90 +1.08%      | SMPH<br>SM Prime Holdings, Inc.<br>P25.15<br>-P0.05 -0.20% | TEL<br>PLDT Inc.<br>P1,330.00<br>+P17.00 +1.29%                   | URC<br>Universal Robina Corp.<br>P82.40<br>+P2.60 +3.26%        | WLCON<br>Wilcon Depot, Inc.<br>P13.56<br>-P0.52 -3.69%           |  |

# Roads, railways support needed for airport upgrades — analysts

By Ashley Erika O. Jose  
Reporter

THE Philippines is poised to boost its aviation sector by upgrading the Ninoy Aquino International Airport (NAIA) and other key airports, but this will only be successful if critical infrastructure projects are developed at the same time, according to analysts.

More than three months ago, the private operator of NAIA, the San Miguel-led New NAIA Infra Corp. (NNIC), took over the operations and maintenance of the country's main gateway.

The government is banking on the multibillion-peso redevelopment of the airport, which has faced criticisms, to help boost the country's economy by increasing flight capacities and improving services.

Ramon S. Ang-led San Miguel Corp. (SMC) is also the company behind the development of the P740-billion Bulacan International Airport, or the New Manila International Airport (NMIA), which is expected to see development work this year and to be operational by 2028.

This year alone, the Philippines witnessed its aviation projects take off with the recent approval of the joint venture between the Cavite provincial government and the Sangley Point International Airport (SPIA) consortium — making three airport development projects within Greater Manila — casting doubts on the airports' operational viability.

**CONSOLIDATION**

As opposed to competing the operations of the two airports — the Bulacan International Airport with NAIA — Roderick M. Danao, chairman and senior partner of PwC Philippines, said it is likely that the operations of the two airports will be consolidated since the airports are being operated by SMC.

If the current developer of Bulacan will not be able to control

NAIA, then they will be competing against each other, Mr. Danao said.

"It can put tremendous pressure on the long-term viability of Bulacan. Remember that it is a P700-billion project. It makes sense that they may want to consolidate the two for better planning and long-term project viability because now you can control the two," Mr. Danao said in an interview.

If the Bulacan airport and NAIA work in tandem, the airports' capacity will quadruple naturally, he said.

"We can have more flights inbound and outbound. But here is the challenge now: it does not stop there. That is why the regional airports are being developed. They are the natural tributaries of the passenger volume via Manila," Mr. Danao said.

For Nigel Paul C. Villarete, senior adviser on public-private partnerships at the technical advisory group Libra Konsult, Inc. and former chief executive officer of Mactan-Cebu International Airport Authority, there is a need to rationalize the number of airports in Metro Manila.

"Vis-a-vis their existing and proposed capacities as well as their locations and distances from each other," he said.

Airports operate more efficiently with size but only up to a certain point, Mr. Villarete said, adding that the Philippines should not have more airports than what could be more efficiently served by a certain number.

"Locating more airports in strategic locations vis-a-vis the metropolitan area, of course, has its merits, but there remains the economy of bulk, especially with costly infrastructure," Mr. Villarete said.

He said further complications would likely ensue if numerous airports are run by different and competing ownership.



"With one single owner, numerous airports can be justified by their owners through profitability indicators," Mr. Villarete said.

Major infrastructure development needed

For Rene S. Santiago, former president of the Transportation Science Society of the Philippines, redistribution of flights to the three airports may not happen anytime soon.

It would be better for airline companies to decide on flight allocation or distribution than leaving it to the government, Mr. Santiago said, further noting, however, that airlines will not decide on their own unless forced.

**INFRASTRUCTURE NEEDED**

For now, separation between domestic and international flights will not be feasible amid the absence of an expressway or rail links connecting the airports.

Mr. Santiago said separating domestic and international flights would become a major problem due to inter-line transfers.

But he did not entirely disregard the idea, suggesting that it could be possible for Clark International Airport and NAIA once the North-South Commuter Railway is completed and operational by 2029.

Mr. Danao said developing the right infrastructure is very important as it can boost tourism anywhere in the Philippines.

"From my perspective as a business advisor, we need to develop the countryside, too. Because these expected massive capacities cannot be accommodated all within Metro Manila and Luzon. When you have that kind of big capacity, you can accommodate more airlines," he said.

However, a national agency overseeing airports will be needed to ensure service and operational efficiency, Mr. Villarete said.

Mr. Villarete said the Civil Aviation Authority of the Philippines

(CAAP) should exercise its default function amid the absence of a "national airport agency."

"I have long proposed the establishment of a national oversight agency for airports to rationalize their size and locations, but we don't have one till now. CAAP had to take that role in the meantime," he said.

Transportation Undersecretary for Aviation and Airports Roberto C.O. Lim said that the Department of Transportation (DoTr) is considering either creating an independent agency or forming a joint venture with government corporations under a public-private partnership (PPP) scheme to privately manage and operate the Philippines' air traffic management system.

The DoTr wants CAAP to focus solely on being a regulator, Mr. Lim said, adding that currently, CAAP is responsible for both operating airports and managing air traffic control.

Ricardo P. Isla, chief executive officer of AirAsia Philippines, said the low-cost carrier is optimistic about the operations of NAIA under its new private operator, noting that the company is actively coordinating with NNIC.

"With all the new airport developments, you already see the NAIA and all the construction that is happening. There will be Bulacan, there is Sangley, and all the public-private partnership airport developments across the country. We can dream bigger," Cebu Pacific Chief Marketing and Customer Experience Officer Candice A. Iyog said.

Cebu Pacific also plans to further expand its Manila hub, while also strengthening its hubs in Cebu and Clark and opening new bases in Davao and Iloilo.

"The potential economic impact of these airport developments will be massive. We are opening and expanding our capacities in tourism, bringing more jobs for Filipinos and more opportunities for us to develop our products to cater to them," PwC Philippines' Mr. Danao said.



IN JANUARY last year, the National Grid Corporation of the Philippines (NGCP) inaugurated the Mindanao-Visayas Interconnection Project, the Cebu-Negros-Panay 230-kilovolt (kV) backbone in April, and the Mariveles-Hermosa-San Jose 500-kV Line in July.

## NGCP sees timely completion of projects

THE NATIONAL Grid Corporation of the Philippines (NGCP) said it remains optimistic about keeping its ongoing grid projects on track despite encountering challenges.

"Despite challenges being encountered in right-of-way acquisition and permitting, with the support of relevant government agencies, we are optimistic that we are on track to finish these projects in the pipeline," the NGCP said in a statement on Monday.

The NGCP said it is working to finish the New Antipolo 230-kilovolt (kV) Substation in Rizal, the Laguindingan 230-kV Substation in Misamis Oriental, and substation upgrading, voltage improvement, and reliability projects in Luzon, Visayas, and Mindanao.

Other projects set for completion, barring any further right-of-way, permitting, and other external delays, include the Tuguegarao-Lal-lo (Magapit) 230-kV Transmission Line, Ambuklao-Binga-San Manuel 230-kV Line, Western Luzon 500-kV Backbone Stage 2, Marilao Extra High Voltage Substation, and Tuy 500/230-kV Project Stage 1.

Projects scheduled to be completed also include the Nabas-Caticlan-Boracay 138-kV Line, Cebu-Lapu-Lapu 230-kV Transmission Line, Lapu-Lapu 230-kV Substation Project, Tacurong-Kalamansig 69-kV Transmission

Line Project, and other upgrading projects.

With its pipeline of projects, the NGCP renewed its appeal for "the swift resolution and approval" of applications filed with the Energy Regulatory Commission (ERC).

As a highly regulated entity, the company said that it needs the regulator's approval to implement its projects and to recover the costs spent in building these transmission facilities.

"We remain hopeful that the ERC will support our efforts by ensuring a timely and fair recovery for our capital expenditure. This recovery is vital to sustaining our investment in enhancing the reliability and capacity of our energy infrastructure," the NGCP said.

Last year, the company inaugurated major projects such as the Mindanao-Visayas Interconnection Project, the Cebu-Negros-Panay 230-kV backbone in April, and the Mariveles-Hermosa-San Jose 500-kV Line in July.

The NGCP has also fully completed the Cebu-Bohol Interconnection Project.

"These achievements reflect NGCP's strong commitment to advancing our grid infrastructure to ensure a more stable and resilient power supply for households, businesses, and industries," it said. — **Sheldeen Joy Talavera**

## Aragon-GoBio to succeed Gokongwei as Robinsons Land president, CEO

ROBINSONS Land Corp. (RLC) announced that Lance Y. Gokongwei is stepping down as its president and chief executive officer (CEO) and will be replaced by Maria Socorro Isabelle "Mybelle" V. Aragon-GoBio effective Feb. 1.

Mr. Gokongwei will remain as RLC's chairman despite relinquishing his role as president and CEO, the property developer said in a stock exchange disclosure on Monday.

With her appointment, Ms. Aragon-GoBio is RLC's first female president and CEO.

Mr. Gokongwei has been RLC's president and CEO since Jan. 8 last year. He replaced Frederick D. Go, who

now heads the Office of the Special Assistant to the President for Investment and Economic Affairs.

Ms. Aragon-GoBio, also elected as RLC's director, has over 30 years of experience in the real estate industry.

She started her career with RLC in 1993 and has held leadership roles across logistics, residential and office developments, and mixed-use estates.

Prior to her appointment, Ms. Aragon-GoBio was the senior vice-president and business unit general manager of Robinsons Destination Estates and Robinsons Logistics Division. — **Revin Mikhael D. Ochave**

**FULL STORY**

Read the full story by scanning the QR code or by typing the link  
[tinyurl.com/48mh83cy](http://tinyurl.com/48mh83cy)

## JFC's Milksha to acquire 70% stake in Moon Moon Food

JOLLIBEE Foods Corp. (JFC) announced that its subsidiary Milkshop International Co., Ltd. will acquire a 70% stake in Taiwan's Moon Moon Food, a wellness soup brand, for NT\$103.8 million (P184 million).

Milkshop, the company behind the Taiwanese bubble tea brand Milksha, signed a share sale and purchase agreement with Tien Hsia Sheng Co., Ltd. to acquire 70% ownership of Moon Moon Food, JFC said in a regulatory filing on Monday.

Under the agreement, Milksha will buy 980,000 shares at NT\$105.92 (P187.80) per share. The value was determined through a multiples-based valuation anchored on Moon Moon Food's net profit after tax in 2023.

Moon Moon Food Founder and Chief Executive Officer Yung-Cheng Lai will retain a 30% minority interest in the brand after the acquisition, JFC said.

"This strategic move reinforces Milksha's position as a leader in the tea segment in

Taiwan by accretively integrating Moon Moon Food's resources and complementary offerings to enhance its ability to meet evolving customer needs, further strengthening scale, valuation, and expanding the consumer base of Milksha," JFC said.

"Once the transaction is completed, Moon Moon Food shall be consolidated into Milksha's portfolio and financial reports. Correspondingly, JFC will take on 51% of any acquisition impact to Milksha," it added.

Moon Moon Food currently has 13 outlets in Taiwan and opened its first international branch in Singapore last year.

The brand's menu includes soups, rice dishes, and noodles. It has been recognized by the Michelin Bib Gourmand from 2018 to the present.

"Moon Moon Food is renowned as the leading brand in Chinese wellness soups," JFC said.

The recent transaction on Moon Moon Food comes as JFC previously bolstered its brand portfolio.

In July last year, JFC announced the purchase of South Korea's Compose Coffee for \$340 million to bolster its coffee and tea business.

Last week, JFC said it had completed the S\$20.2-million buyout to take full ownership of Hong Kong-based dim sum restaurant Tim Ho Wan.

JFC grew its nine-month attributable net income by 24.1% to P8.47 billion as revenue climbed by 10.6% to P196.25 billion.

As of end-September, JFC increased its store network by 42.8% to 9,598, with 3,340 domestic stores and 6,258 international branches.

Of the international stores, JFC has 568 in China, 381 in North America, 362 in Europe, the Middle East, Africa, and Asia, 815 with Highlands Coffee, 1,219 with The Coffee Bean & Tea Leaf, 333 with Milksha, and 2,580 with Compose Coffee.

JFC shares fell by 2.1% or P5.60 to P261 apiece on Monday. — **Revin Mikhael D. Ochave**