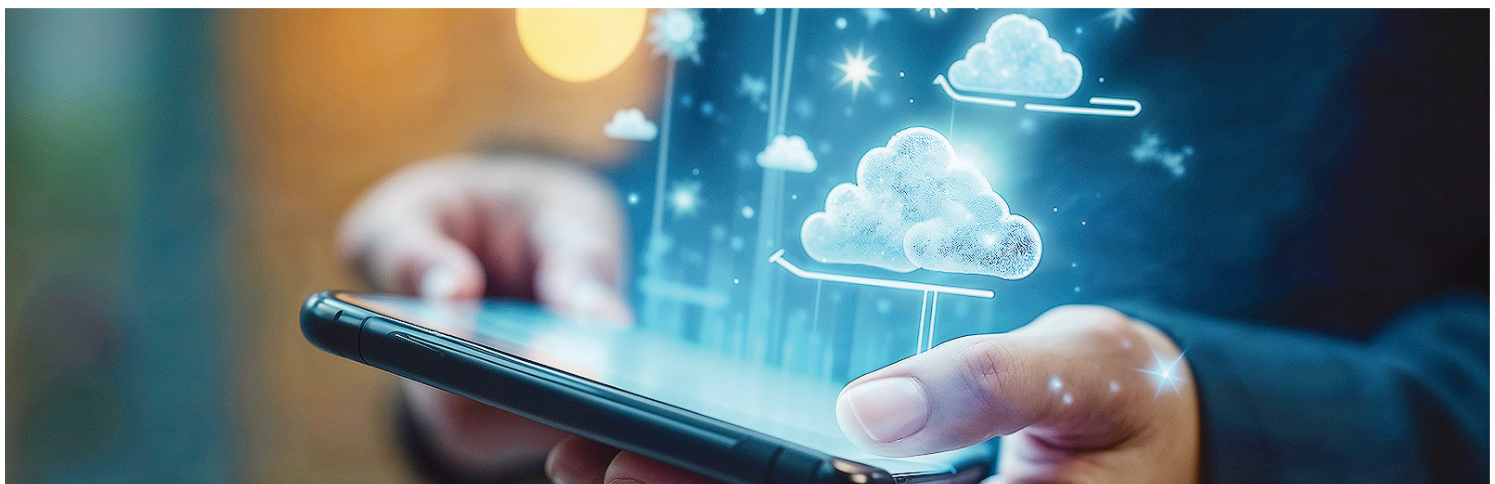
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Cloud migration, strong security needed for safe GenAI use

PHILIPPINE companies should prioritize cloud adoption and implement robust data security controls to maximize the benefits of generative artificial intelligence (GenAI), according to Amazon Web Services (AWS).

"For most organizations, the easiest way for them to be able to take advantage of GenAI is going to be through cloud services," Bryce Boland, Amazon Web Services head of security solution architecture for the Asia-Pacific region and Japan, told a virtual news briefing on Tuesday.

GenAI applications, like any other software, require a secure architecture, he pointed out.

"Whenever you're building a generative AI application… there's going to be web services, there's going to be databases and so on," he said. "They will need to be designed and architected to have the right security controls in place."

Only 6% of organizations in the Philippines have "mature" cybersecurity systems that could handle external threats, according to Cisco Systems, Inc.

To address vulnerabilities, Amazon Web Services offers Amazon Inspector, which was recently expanded to include code security features.

"Customers can use Amazon Inspector Code Security to implement checks on their code to make sure that it doesn't have vulnerabilities that could be exploited to then deploy ransomware to their company or their customers," he said.

He also cited IAM Identity Center, which allows organizations to manage and restrict access to sensitive resources, as well as AWS Shield's Network Security Director, a tool that enhances visibility on cloud networks and recommends remediation steps for missed security measures.

Amazon Web Services offers more than 200 on-demand cloud services globally, including computing, storage, databases, AI, machine learning and internet of things (IoT) infrastructure. The platform operates across key markets in the Asia-Pacific region, Americas, Europe and South Africa.

"We recognize that the AWS infrastructure is critical to many countries' commercial and public sector operations," Mr. Boland said, adding that the company is built to comply with 143 security standards globally.

He also noted that the company regularly undergoes security audits to ensure compliance and maintain infrastructure resiliency.

"[Customers] want to be able to manage their security to be able to respond faster, and so we are using generative AI in our internal tooling to help us respond more rapidly to changes in the security landscape," he added.

As of 2024, Amazon Web Services held about 30% of the global cloud infrastructure market, according to software firm HP Insights. — **Beatriz Marie D. Cruz**

Magwayen eyes wider reach for reef-safe sunscreen

STARTUP Magwayen Organics, Inc. is expanding the distribution of its reef-safe sunscreen brand, MAGWAI, in response to worsening coral bleaching in Philippine waters.

"We aim to expand our distribution to even more tourist destinations in the Philippines and then hopefully also have a start in other [Southeast Asian] markets," Czar Carbonel, chief executive officer and co-founder of Magwayen, told *BusinessWorld* in an interview.

MAGWAI.COM.PH

Available in El Nido, Coron, Cebu, Bohol, Siquijor, Siargao, Batangas and Puerto Galera, MAGWAI is sold in about 100 retailers nationwide, including at souvenir shops, dive centers, surf stores and resort gift shops.

"Our plan is more like increasing the product distribution in each area," Ms. Carbonel said.

The Philippines has one of the world's biggest coral reef systems, covering about 27,000 square kilometers, according to government data.

In April, the National Oceanic and Atmospheric Administration (NOAA) and International Coral Reef Initiative said 84% of the world's coral reefs — including those in the Philippines — have experienced bleaching-level heat stress.

While rising sea temperatures are a major cause of coral bleaching, Ms. Carbonel said harmful chemicals in common sunscreens also contribute significantly. These include oxybenzone, butylparaben, octinoxate, and 4-methylbenzylidene camphor.

"If there are toxic chemicals, the corals become very stressed, so they kind of like expel the algae," she said. "That starts the coral bleaching. That's why when you look at dying corals, they're actually white."

She cited a report from the Coral Reef Alliance that found even a single drop of these chemicals in an Olympic-sized swimming pool — just 62 parts per trillion — is enough to harm corals.

MAGWAI's formulation adheres to strict safety standards set by the European Chemicals Agency, Environmental Working Group and the regulatory frameworks of countries like Palau and Thailand.

"We have our chemist formulators ensuring and reviewing each and every ingredient," Ms. Carbonel said. "They have guidelines that set the standard for safety and sustainability."

"Hopefully, it will domino to ecotourism and create awareness and education so that we can have healthier oceans," she said. — **Almira Louise S. Martinez**

Meralco says power rates may rise in July

THE OVERALL electricity rate may increase in July due to anticipated increases in generation and transmission charges, Manila Electric Co. (Meralco) said on Tuesday.

"While we have yet to receive all the final billings from our suppliers, indication point to a possibility of an increase in the generation charge this month," Meralco Vice-President and Head of Corporate Communications Joe R. Zaldarriaga said in a statement.

Mr. Zaldarriaga attributed the potential upward adjustment in the cost of purchased power to the depreciation of the peso, which will affect the dollar-denominated costs of the power distributor's suppliers.

"We hope that the expected increase will be mitigated by lower WESM (Wholesale Electricity Spot Market) charges," he said.

The Independent Electricity Market Operator of the Philippines earlier reported a 3.9% decline in the average WESM rate to P3.86 per kilowatt-hour (kWh) for the June supply period amid a stable supply margin.

For Luzon alone, the WESM rate decreased by 0.32% to P3.91 per kWh from P4.23 per kWh a month earlier.

The WESM is a centralized venue where energy companies can buy power when their long-term contracted supply is insufficient for customer demand.

"We also see possibility of higher transmission charge due to the pressure in reserve market prices for the June supply month compared with the previous month," Mr. Zaldarriaga said.

The generation charge typically accounts for more than 50% of the monthly electricity bill, while the transmission charge accounts for nearly 3%.

Last month, Meralco's electricity rate decreased by P0.1099 per kWh to P7.3552 per kWh, primarily due to lower generation charges.

Meralco is the main power distributor for Metro Manila and nearby areas, covering 39 cities and 72 municipalities, and delivering power to around eight million customers. — **Sheldeen Joy Talavera**

Topline buys P180M worth of stations, depot

By Sheldeen Joy Talavera
Reporter

CEBU-BASED fuel retailer Top Line Business Development Corp. (Topline) is acquiring P180 million worth of assets as part of its planned P925-million investment to accelerate expansion in the Visayas.

"As part of our flexible strategy for expansion, we explored opportunistic acquisitions of retail fuel stations to fast-track the growth of our Light Fuels brand. This acquisition supports our broader long-term growth objectives by enabling faster market entry and operational scalability," Eugene Erik C. Lim, chairman, president, and chief executive officer of Topline, said in a statement on Tuesday.

To accelerate the rollout of its expansion plans, Topline's subsidiary Light Fuels Corp. entered into a purchase agreement with Total Oil & Gas Resources, Inc. (TOGRI) and Ballston Metro Corp. (BMC) for P120 million and P60 million, respectively.

The assets involved include 38 retail fuel stations located across Cebu, Leyte, Siquijor, and Negros Oriental. The acquisition also includes a two-million-liter depot facility, 15 fuel tanker trucks, machinery and equipment, and intangible assets such as a customer loyalty program and leasehold rights.

"The acquisition will enable [Topline] to accelerate its market entry and rapidly scale its operations across key regions," the company said. "This is aligned with the company's long-term growth objectives of expanding its presence in the retail fuel sector and increasing brand visibility."

The acquisition is being financed through a combination of bank financing and internally generated funds, the company said.

"Our systems are in place for prudent inventory management and efficient fuel deliveries to our new stations as we grow our footprint," said Brigitte Carmel C. Lim, senior vice-president and chief operating officer of Topline.

With the additional stations, the company expects to distribute at least 35.6 million liters in fuel sales volume annually. Last year, the company sold 72.45 million liters of liquid fuels.

"With continued consumption and economic growth in the Visayas, this strategic acquisition strengthens our retail fuel revenue stream while complementing our robust commercial fuel trade revenues," Mr. Lim said.

While commercial fuel trading remains Topline's core business, the retail fuel segment is emerging as a growth pillar as it is poised to consolidate fuel station chains in the Central and Eastern Visayas regions, according to Peter Louise D.C. Garnace, equity research analyst at Unicapital Securities.

"With this horizontal expansion, Topline is well-positioned to widen its geographical footprint and tap underserved markets where competition is less saturated," he told *BusinessWorld*.

Mr. Garnace said the expanded retail fuel station network "will reinforce its ability to supply fuel at competitive prices, strengthen customer loyalty, and drive market share growth."

Franco M. Fernandez, equity research analyst at DragonFi Securities, Inc., said investors are revaluing Topline, with its shares closing at P0.85 apiece, up 49.12%.

"From a market structure standpoint, this expansion enhances their credibility and brand awareness, challenging legacy players like Petron and Shell. Competitors may start to feel pressure from Topline, potentially prompting defensive reinvestment in retail infrastructure or lower prices. Consumers in the region stand to benefit the most in the near term," Mr. Fernandez said.

He added that Topline's expansion comes at a crucial time amid geopolitical tensions that impact oil prices.

"Therefore, strengthening regional supply chains and logistics through localized depots and a larger tanker fleet helps mitigate potential supply disruptions and cushions price volatility."

Jayniel Carl S. Manuel, sales and trading department assistant manager at Seedbox Securities, Inc., said the entry of Topline into more locations introduces "fresh competition, which could pressure incumbents to improve pricing, service levels, or efficiency."

"Over time, this reshapes the fuel retail landscape by creating a more competitive and consumer-oriented market environment," he said. "For end users, the benefits are clear: improved access to fuel stations, better service due to heightened competition, and potentially more stable pricing from increased supply chain efficiency."

Topline was the first company to conduct an initial public offering (IPO) on the Philippine Stock Exchange this year. The company allocated P400 million out of its P733-million IPO proceeds for the expansion of its service station network.

DMPI reports gains in key markets

DEL MONTE Philippines, Inc. (DMPI), a subsidiary of Philippine- and Singapore-listed food and beverage producer Del Monte Pacific Ltd. (DMPL), saw its earnings climb for fiscal year 2025 (May 2024-April 2025), led by its international business.

Earnings before interest, taxes, depreciation, and amortization (EBITDA) rose by 40% to P8.6 billion, DMPI said in a statement on Tuesday. The company did not provide specific net income figures.

Total sales increased by 14% to P44.2 billion, driven by international sales, which grew by 22% to P19.5 billion on the back of strong exports of fresh pineapples and packaged products.

DMPI attributed the growth to performance in key markets such as China, South Korea, and Japan, driven by a better product mix.

The company said it grew its market share in North Asia to 53%. It also reported higher packaged exports to Europe and the Americas.

On the other hand, domestic sales increased by 6% to P21.4 billion on solid demand across key product categories, including beverages, packaged fruits, and culinary essentials.

DMPI said its beverages gained market share due to revitalized campaigns and new products. The fruits segment also saw increased relevance beyond the holiday season and re-established its role in year-round celebrations and family desserts.

"Our strong fiscal year 2025 results reflect the deep commitment and hard work of our team, and our relentless focus on consumer engagement, innovation and cost efficiency," DMPI President and Chief Operating Officer Luis F. Alejandro said.

"With an EBITDA growth of 40%, we are truly proud of what we have achieved, both in DMPI's domestic and international markets. Our promise is to continue delivering value to our stakeholders," he added.

DMPL recently disclosed that its United States business, led by Del Monte Foods Holdings Ltd. (DMFHL) and certain subsidiaries, initiated voluntary Chapter 11 proceedings in the bankruptcy court for the District of New Jersey on July 1.

The filing provided access to \$912.5 million in financing as the company restructures its finances and operations. The US subsidiary will also pursue an asset sale.

Despite this, DMPL said its business remains financially stable, led by DMPI's operations.

DMPL shares dropped by 7.22%, or 21 centavos, to P2.70 per share on Tuesday. — **Revin Mikhael D. Ochave**

PAL revives Manila-Sapporo flights

FLAG CARRIER Philippine Airlines (PAL) is set to revive its direct flights between Manila and Sapporo as part of its plan to strengthen connections between the Philippines and Japan.

In a media release on Tuesday, the flag carrier said it will start operating its nonstop Manila-Sapporo flights from Nov. 24 until March 27, 2026, three times a week.

PAL will offer these seasonal flights every Monday, Wednesday, and Friday, operating the service with an Airbus A321neo, which can accommodate up to 168 passengers.

It added that the airline will operate this route every succeeding winter season from November to March.

"We are thrilled to announce the reopening of our direct flights from Manila to Sapporo, which will help us strengthen both bilateral relations and cultural ties with our Japanese counterparts," PAL President Richard Nuttall said.

PHILIPPINE STAR/EDD GUMBAN

The revival of this direct route expands PAL's destination points and routes in Japan. At present, the flag carrier operates nonstop services to Osaka (Kansai), Nagoya, Fukuoka, Tokyo (Haneda), and Tokyo (Narita) from Manila, including direct flights from Cebu to both Osaka (Kansai) and Tokyo (Narita).

PAL previously operated the Manila-Sapporo route from December 2018 to March 2020.

In April, PAL said it was expecting passenger volume to climb by 20% this year from 15 million passengers in 2024, boosted by the launch of new routes and the expansion of existing services.

The flag carrier, operated by PAL Holdings, Inc., had earlier announced its plan to expand its nonstop route network and explore more partnerships with other airlines to support its growth.

PAL Holdings reported a 20.28% year-on-year increase in attributable net income to P4.33 billion for the first quarter, driven by revenue growth.

Consolidated revenue rose by 2.51% to P46.95 billion from P45.8 billion in the same period last year.

Passenger traffic increased by 5% to 4.1 million in the first quarter. Its cargo segment handled 52.6 million kilograms across more than 28,000 flights in international and domestic networks.

At the local bourse, shares in PAL Holdings closed unchanged at P4.17 apiece. — **Ashley Erika O. Jose**