



# FINEX FOCUS

OFFICIAL NEWSLETTER OF FINEX

## 7th Ayala-FINEX Finance Summit



## Reigniting the Philippine Capital Markets Towards a Sustainable Future

Enriching Public Governance in GOCCs [HERE](#)

Acoustic Night [HERE](#)

When should a company prepare for an IPO?  
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PRESIDENT'S MESSAGE:  
WILSON P. TAN P. 2

ISSUE 08 - AUGUST 2023



*"The capital markets play a crucial role in mobilizing funds from savers to investors, spurring economic growth, and fostering wealth creation. It has gone a long way in recent years, surviving and thriving through the pandemic, and making tremendous advances despite the challenges it continue to face."*

Good afternoon and welcome to our 8th GMM. Today is also the 7th Ayala-FINEX Finance Summit with the theme "Reigniting the Philippine Capital Market towards a Sustainable Future." And we are halfway through this whole-day event.

Today's Summit was made possible by Ayala Corporation, with support from P&A Grant Thornton. Special thanks to Committee Chair Paolo Azurin of our Professional Development Committee, Vice Chair Edith Estacio, Liaison Director Gema Cheng, and Project Lead Ned Goseco for spearheading this annual event.

I also encourage everyone to support the initiatives of the FINEX Research and Development Foundation and the FINEX Academy.

Read the full President's Message [HERE](#).

## FINEX FOCUS

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# PROFILE OF SPEAKERS

## JAIME ALFONSO ZOBEL DE AYALA

**Chief Executive Officer, AC Motors**

Jaime Alfonso is the Chief Executive Officer of AC Motors, the automobile arm of the Ayala Group of Companies. He is also currently a Director of Globe Telecom, Mynt (Gcash), ACEN Corporation, AC Industrials, among others.

Prior to his role in AC Motors, he was the Co-Head of the Strategic Development Division and Head of Business Development and Digital Ventures of Ayala Corporation. He graduated at Harvard University, in 2013, and his Masters of Business Administration from Columbia Business School in 2019.



## POL DE WIN

**Senior Managing Director, Head of Global Sales & Origination, SGX Group**

Mr. Pol de Win joined Singapore Exchange (SGX Group) as Head of Global Sales and Origination (GSO) on 1 July 2021.

As Head of GSO, Mr. de Win drives the growth of SGX Group's international presence, including strengthening client engagements globally and overseeing SGX Group's specialised sales teams in 10 cities. He leads the strategy and delivery of the equity and debt capital market businesses, as well as the development of distribution channels for SGX Group's products and services across all asset classes.

He holds a Master of Science degree from Erasmus University Rotterdam. Read his complete profile [HERE](#).

## FRANCISCO ED. LIM

**Co-Chair, Capital Markets Development Council**

Atty. Francis Lim is a Senior Legal Counsel and a member of the Executive and Special Committees of the Angara Abello Concepcion Regala & Cruz Law Offices. He specializes in both corporate law and litigation and spearheaded the teams which handled some of the largest capital market-related transactions in the Philippines

Atty. Lim is former President and Chief Executive Officer of the Philippine Stock Exchange and the Securities Clearing Corporation of the Philippines. He is 2021 FINEX President.

He finished his Bachelor of Laws at Ateneo de Manila University and (LL.M.), University of Pennsylvania. Atty. Lim is a member of the Philippine Bar and the New York State Bar. Read his complete profile [HERE](#).



# PROFILE OF SPEAKERS



## ERWIN D. STA. ANA

Deputy Treasurer, Republic Philippines

Deputy Treasurer Erwin D. Sta. Ana handles the National Government's liability management portfolio at the Bureau of the Treasury. Sta. Ana likewise heads the information technology group of the Bureau and is the focal person for the digitalization roadmap for the government securities market.

He assumed the position of Deputy Treasurer in October 2015 with extensive experience in public debt and risk management at the Department of Finance and the Bureau of the Treasury. He has a degree in economics and is a lawyer by profession. Read his complete profile [HERE](#).

## JOSE TEODORO K. LIMCAOCO

President & CEO, Bank of the Philippine Islands

TG Limcaoco was appointed President and CEO of Bank of the Philippine Islands on April 22, 2021. He has served as Director and a Member of the Executive Committee since February 2019. Before coming to BPI, he was the Chief Finance Officer, Chief Risk Officer, and Chief Sustainability Officer of Ayala Corporation, a PSE-listed company.

He graduated from Stanford University with a BS Mathematical Sciences degree (Honors Program) in 1984 and from the Wharton School of the University of Pennsylvania with an MBA (Finance and Investment Management) in 1988. Read his complete profile [HERE](#).



## TERRY SCHMASSMANN

Co-Head of Debt Capital Markets Asia and Head of Debt Syndicate Asia, UBS

Based in Hong Kong, Terry joined UBS in 2009 in the UBS Zurich office and joined the Hong Kong team in 2017. During his tenure, he has been involved in a variety of debt (conventional, green and sustainability), hybrid capital, and liability management transactions across the Asia Pacific, EMEA, and Latam issuer regions and multiple currencies spanning US\$, EUR, CHF, HKD, SGD, CNH.



(Left) P&A Grant Thornton Chairman & Managing Partner Romualdo V. Murcia III facilitated the Q&A with Jaime Alfonso Zobel de Ayala.



(Right) PSE SVP & COO Atty. Roel Refran joins the panel with Paolo Azurin as moderator.

# When should a company prepare for an initial public offering (IPO)?

This is a common question asked in IPO listing sessions hosted by The Philippine Stock Exchange, Inc. (PSE or Exchange). Several factors are considered to arrive at an answer to this question. For entrepreneurs who live out the “It’s always good to be ready” adage, the preparation starts as soon as they aspire to become a publicly listed company (PLC). These business owners do three basic things: 1.) Find out where they stand vis-à-vis the IPO listing requirements; 2.) Get acquainted with potential financial advisors; and 3.) Map out a plan to slowly but surely make the company IPO-ready.

To help businesses evaluate their current prospects, PSE published an IPO Readiness Assessment Form on its website. Most of the required information on the form are focused on the company’s financials. The spotlight on numbers highlights the significance of financial condition as one of the key pre-requisites to IPO listing. The firm’s financial track record should meet the profit test set by the Exchange. For instance, the profit criteria to list on the Main Board are a cumulative net income of ₱75 million in the last three years and a net income of ₱50 million in the most recent year. For the Small Medium and Emerging (SME) Board, a listing applicant should have a cumulative EBITDA, excluding non-recurring items, of at least ₱15 million for the last three (3) fiscal years or such shorter period as the company has been operating or a cumulative operating revenues or sales of at least ₱150 million for the last three (3) fiscal years or such shorter period as the company has been operating, with at least 20 percent average net sales or operating revenue growth rate for the last two (2) fiscal years. Aside from the profit test, there are also specific requirements pertaining to stockholders’ equity and market capitalization.

To formally assist interested and potential listing applicants, the Exchange introduced the Listing Engagement and Assistance Program (LEAP) in 2021. A free service provided by the Exchange, LEAP serves as a one stop shop for pre-listing needs, including assistance in connecting companies with experienced IPO advisors.

Finding a suitable financial advisor early on has several benefits. The advisor identifies areas for improvement based on the IPO checklist and helps the company remain



The PSE Listing Engagement and Assistance Program (LEAP) is a FREE handholding program of the Exchange that offers a one-stop shop service to potential listing applicants.

on track with its IPO preparations. A longer interaction also gives the advisor more opportunities to better understand the business. This is valuable in crafting the message and narrative when it’s time to market the company to prospective investors.

Since the program was launched, three (3) companies have already transitioned from LEAP to become PSE listed firms. As of end-July 2023, over 60 companies from various sectors are enrolled in the program. These LEAP participants are in different stages of IPO preparations; a tenth are ready to do an IPO in less than a year while a third need one to two more years and the rest require more than two years.

“Business owners looking to raise funds through the stock market may not know where or how to begin their IPO journey or may feel overwhelmed by the process. Under our LEAP program, we guide them through the various stages of an IPO application and advise them on how to comply with the various requirements. A successful IPO will be beneficial to all capital market stakeholders and an IPO undertaken by a well-prepared company will have better chances to succeed,” said PSE President and CEO Ramon S. Monzon.

Aside from ensuring that listing criteria are met, the pre-IPO period provides an opportunity to gear up for the regulatory and shareholder obligations of a publicly listed company. This includes putting together an Investor Relations team, familiarizing its compliance team about material information that need to be disclosed to the public, among others.

A maiden public offering is an undertaking unique to each listing applicant. The pace to reach the IPO-ready stage is set by the company, together with its advisors. This is usually dictated by the urgency to raise funds and the commitment of its people to prepare for the transition from a private entity to a publicly listed firm.

\*Interested to sign up for LEAP? Please contact PSE’s Marketing Services Department at [marketingservices@pse.com.ph](mailto:marketingservices@pse.com.ph).

**MAHALAGANG PAALALA: ANG CR<sub>x</sub> C-LIUM FIBRE AY HINDI GAMOT AT HINDI DAPAT GAMITING PANGGAMOT SA ANUMANG URI NG SAKIT.**

## Fiber: Beyond Gut Health

Start the day right.

CR<sub>x</sub> **C-Lium<sup>®</sup>**  
**FIBRE**

Contains Soluble  
and Insoluble Fiber

Available in Mango, Dalandan, Pineapple



Pascual

ASC REF NO.: P116P111221CS

# Did You Know?

A healthy gut is essential for proper digestion and prevention of certain chronic diseases.<sup>1</sup>  
And taking fiber with fluids every day can help keep you healthy.

**Fiber supports gut health.<sup>2</sup>** It improves metabolism and is food to the good bacteria in the gut which help prevent diseases.<sup>3</sup>

Beyond the digestive system, regular intake of Fiber helps you:

- **Manage a healthy weight<sup>4</sup>**
- **Lower your odds of heart disease<sup>4</sup>**
- **Reduce your risk of type 2 diabetes<sup>4</sup>**

To reap these benefits of fiber, **you need to consume 20 to 25 gms a day!<sup>5</sup>**

There are two kinds of fiber:

- **Soluble Fiber** - helps absorb excess cholesterol and sugar
- **Insoluble Fiber** - helps sweep them out of the body through regular bowel movement.<sup>6</sup>

Psyllium has both types of fiber, while others only have one. Together, these two fibers help support digestive health and one's overall health.<sup>7</sup>



<sup>1</sup> How Your Gut Health Affects Your Whole Body. Web MD Website. <https://www.webmd.com/digestive-disorders/ss/slideshow-how-gut-health-affects-whole-body> Reviewed December 17, 2020. Accessed November 2021.

<sup>2</sup> Super Steps to Boost Digestive Health. Web MD Website. <https://www.webmd.com/digestive-disorders/ss/slideshow-digestion-tips> Reviewed July 15, 2020. Accessed November 2021.

<sup>3</sup> Liu Y, Tran D, Rhoads J. Probiotics in Disease Prevention and Treatment. J Clin Pharmacol. 2018; 58(10): S164-S179. doi: 10.1002/jcp.1121

<sup>4</sup> <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6065659/>  
Gastrointestinal Tract: An Evidence-Based Approach to Resolving

<sup>5</sup> Anderson J, Baird P, Davis Jr, R. Health benefits of dietary fiber. Nutrition Reviews. 2009; 67(4): 188-205.

<https://doi.org/10.1111/j.1753-4887.2009.00189.x> <https://academic.oup.com/nutritionreviews/article/67/4/188/1901012>

<sup>6</sup> 2015 Philippine Dietary Reference Intake. DOST-FNRI Website. [https://www.fnri.dost.gov.ph/index.php/95eb6d6b7MvzGmb101780zs\\_s/aIXCAIKYQed](https://www.fnri.dost.gov.ph/index.php/95eb6d6b7MvzGmb101780zs_s/aIXCAIKYQed). Published November 21, 2016. Accessed October 2021.

<sup>7</sup> McFlorie J, McKeown N. Understanding the Physics of Functional Fibers in the Gastrointestinal Tract: An Evidence-Based Approach to Resolving

<sup>8</sup> Verma A, Mogra R. Psyllium (Plantago ovata) Husk: A Wonder Food for Good Health. USR. 2015; 4(9): 1581-1585. <https://www.jsr.net/archive/v4i9/SUB158459.pdf>