

Philippine Stock Exchange index (PSEi)

7,252.64 ▼ 40.88 PTS. ▼ 0.56%

MONDAY, JANUARY 24, 2022
BusinessWorld

PSEi MEMBER STOCKS

AC Ayala Corp. P862.00 -P6.00 -0.69%	ACEN AC Energy Corp. P9.59 -P0.06 -0.62%	AEV Aboitiz Equity Ventures, Inc. P63.50 +P0.55 +0.87%	AGI Alliance Global Group, Inc. P12.42 -P0.08 -0.64%	ALI Ayala Land, Inc. P35.10 +P0.45 +1.30%	AP Aboitiz Power Corp. P32.35 -P0.90 -2.71%	BDO BDO Unibank, Inc. P127.40 -P2.10 -1.62%	BLOOM Bloomberg Resorts Corp. P6.11 -P0.04 -0.65%	BPI Bank of the Philippine Islands P93.60 -P1.10 -1.16%	CNVRG Converge ICT Solutions, Inc. P30.60 -P0.40 -1.29%
GLO Globe Telecom, Inc. P3,260.00 -P58.00 -1.75%	GTCAP GT Capital Holdings, Inc. P557.50 +P2.50 +0.45%	ICT International Container Terminal Services, Inc. P201.00 +P1.10 +0.55%	JFC Jollibee Foods Corp. P229.00 -P1.40 -0.61%	JGS JG Summit Holdings, Inc. P61.05 -P0.95 -1.53%	LTG LT Group, Inc. P10.16 +P0.06 +0.59%	MBT Metropolitan Bank & Trust Co. P57.00 -P0.30 -0.52%	MEG Megaworld Corp. P03.15 -P0.05 -1.56%	MER Manila Electric Co. P315.00 ---	MPI Metro Pacific Investments Corp. P03.84 -P0.05 -1.29%
PGOLD Puregold Price Club, Inc. P37.40 -P0.05 -0.13%	RLC Robinsons Land Corp. P18.96 +P0.26 +1.39%	RRHI Robinsons Retail Holdings, Inc. P57.95 +P0.30 +0.52%	SECB Security Bank Corp. P110.00 -P1.00 -0.90%	SM SM Investments Corp. P950.00 -P9.00 -0.94%	SMC San Miguel Corp. P112.00 +P0.10 +0.09%	SMPH SM Prime Holdings, Inc. P34.40 -P0.30 -0.86%	TEL PLDT, Inc. P1,859.00 -P19.00 -1.01%	URC Universal Robina Corp. P127.90 +P0.90 +0.71%	WLCON Wilcon Depot, Inc. P27.00 -P0.70 -2.53%

SEC halts operations of Goodpocket, Easymoney

THE Securities and Exchange Commission (SEC) has issued halt orders against Goodpocket and Easymoney Lending Corp. for engaging in unauthorized lending activities.

“The acts of these unregistered Online Lending Operators in illegally offering and providing loans to the public, charging high-interest rates, and subjecting its debtors to unfair treatment through abusive and even libelous

language in collecting the loaned amount, have no place in a society that is governed by and faithfully adheres to positive laws,” the Commission En Banc said.

The regulator said it received complaints about the two entities’ unfair collection processes. This includes posting libelous statements against borrowers on social media pages on top of sending similar statements to their borrowers’ contacts.

Neither Goodpocket nor Easymoney Lending is registered with the commission as a corporation and neither has the required Certificates of Authority to operate as a lending or financing company.

The Commission En Banc said the activities of Goodpocket and Easymoney Lending “constitutes actual fraud which was intentionally employed to lead the public into the belief that they are legally authorized to engage in the lend-

ing business, which is not and has never been the case.”

Republic Act No. 9474 or the Lending Company Regulation Act of 2007 (LCRA) provides that persons or entities that operate as lending companies should register as corporations and get a certification from the SEC before conducting lending transactions.

The Commission En Banc ordered the two entities on Jan. 18 to cease and desist from their

lending activities and transactions until required authorization from the commission is secured.

“The companies, their owners, operators, promoters, representatives, and agents were further enjoined to cease from offering and advertising their lending business through the internet or any other media, and to remove all materials involving such,” the regulator said.

The SEC has canceled the licenses of 36 financing and lending

companies due to their violations of rules and regulations. It has also since revoked the registration of 2,081 lending companies for not securing a certificate of authority as prescribed by the LCRA.

There are 60 online lending applications that have been ordered to stop their operations for not having secured authority to operate as a lending or financing company. — **Keren Concepcion G. Valmonte**

MWSS probes water output gaps; Maynilad cites weather

THE regulatory office of the Metropolitan Waterworks and Sewerage System (MWSS) said on Monday that it is probing the prolonged water service interruptions by Maynilad Water Services, Inc.

“The investigation is being conducted primarily to determine whether there is a ground to declare Maynilad to have failed contractually on its service obligations, and to impose the appropriate penalties on the concessionaire,” the regulator said in a statement.

The MWSS Regulatory Office (RO) is spearheading the investigation of Maynilad’s Putatan water treatment plant’s (PWTP) supply zone located in Muntinlupa.

The plant is the first water treatment facility that taps into Laguna Lake as an alternative water source to Angat Dam.

“According to Maynilad, the reduced water production at the PWTP is caused by the prolonged high algal count and

sustained high raw water turbidity in the Laguna Lake,” the regulator said.

“Considering the corrective actions and long-term solutions being taken at the PWTP since the second quarter of 2021, the MWSS is expecting the PWTP to be operating at its maximum design of 300 millions of liter per day (MLD) and Maynilad to be complying with its service obligation of providing all customers with an uninterrupted supply of potable water at 7 pounds per square inch (psi) minimum pressure,” it added.

The MWSS RO served Maynilad a “notice to explain” from Dec. 6 to 22 and Dec. 27 to Jan. 15.

On Jan. 21, it issued another notice asking the company to explain the reasons for the interruptions and its plan of action to remedy the situation.

In response, Maynilad said in a statement that the water service interruptions are due to unforeseen weather disturbances.

It said water production from Laguna Lake had been affected by the northeast monsoon or *hanging amihan* “that has been pushing unusual amounts of sediment toward our Putatan treatment plants.”

“The resulting turbid water needs more processing before being released to our customers. Also, increased nutrients in the lake have been promoting the growth of algae that block the intake structure of our treatment facilities,” said Maynilad, which serves Metro Manila’s west zone.

“We are taking short and long-term measures to address these concerns like intensifying filtration to get rid of the debris. Unfortunately, these extra interventions result in reduced water production, hence, the temporary rotating supply interruption. Meanwhile, we have been supplementing the supply of potable water through our mobile water tankers and stationary water tanks in several areas,” it added.

The water concessionaire said it is building a third treatment plant in Muntinlupa that will add another 150 MLD upon its completion in 2023.

“We apologize for the supply interruptions. We are doing our best to mitigate the effects on our customers of these natural and man-made causes. We will cooperate with our regulators to make sure all these issues are properly resolved soonest with the least inconvenience to the public,” the company added.

Metro Pacific Investments Corp., which has a majority stake in Maynilad, is one of three Philippine units of Hong Kong-based First Pacific Co. Ltd., the others being Philex Mining Corp. and PLDT, Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Luisa Maria Jacinta C. Jocsos**



BW FILE PHOTO

FEU, partners plan Brunei private nursing school

FAR EASTERN University (FEU) is looking to enter a joint venture to create and manage a private nursing school in Brunei Darussalam.

In a disclosure to the exchange on Monday, the listed educational institution said it is joining Brunei’s Ministry of Health and private firm Jerudong Park Medical Centre Sendirian Berhad “to cooperate in a proposed joint venture for the establishment, management, and operation” of the private nursing school.

“The parties entered into a memorandum of agreement to that effect. No definitive agreements were signed yet pending further discussions on details on how to achieve the goals of the project,” FEU said.

“We will make the necessary disclosures regarding the Project as soon as further definite information becomes available,” it added.

The company currently operates FEU in Manila and is the majority shareholder of East Asia Computer Center, Inc., FEU Alabang, Far Eastern College Silang, Inc., FEU High School, Inc., and Roosevelt College, Inc.

It also has a 51% ownership in Edustria, Inc., a new senior high school in Batangas, which is 49% owned by the Technological Institute of the Philippines, Inc.

FEU shares were last traded on Jan. 20 for P551 apiece. — **Keren Concepcion G. Valmonte**

Robinsons Retail to rebrand Ministop after full acquisition

ROBINSONS Retail Holdings, Inc. (RRHI) plans to “repurpose” and “rebrand” its Ministop stores after it fully acquires the franchise in February.

“Under the new agreement with Ministop Japan, RRHI will continue to operate the stores using the Ministop brand within the transition period agreed upon with Ministop Japan, until they are repurposed and appropriately rebranded in consideration of strong ready-to-eat offerings such as Uncle John’s Fried Chicken and Kariman,” RRHI said in a statement on Monday.

RRHI plans to buy Japan-based Ministop Co., Ltd.’s stake in Robinsons Convenience Stores, Inc. (RCSI) for an undisclosed price. The transaction will bump RRHI’s stake in RCSI, which is the exclusive franchisee of Ministop in the Philippines, to 100% from its current 60%.

“Our stores will continue to carry our best-sellers while we continue to diversify our ready-to-eat menu and offer new products to the market,” Ministop Philippines General Manager Suresh Ramalinggam said in the statement.

“Customers can also rely on our convenient e-services and bills payment facilities,” he added.

Last week, news outfit Nikkei Asia reported that Ministop plans to hand off its South Korean operations to Seoul-based conglomerate Lotte Corp. as well as to sell its stake in its Philippine business to focus on the Japanese market.

“I would like to thank Ministop Japan for our partnership over the years. Under the Ministop banner, we were able to bring to the public well-loved products and essential services,” RRHI President and Chief Executive Officer Robina Y. Gokongwei-Pe said in the statement on Monday.

The Gokongwei-led conglomerate teamed up with Mitsubishi Corp. and Ministop in 2000

to bring Japan’s 24-hour convenience store chain in the Philippines.

Mitsubishi sold its entire 12% ownership in the venture in August 2018. The 8% stake equivalent to 161.05 million shares in RCSI was sold to RRHI, bumping its ownership to 59.05% from 51%. The 4% balance equivalent to 78.95 million shares were sold to Ministop, bringing its ownership up to 40.9% from 36.9%.

In November 2019, RRHI’s wholly owned Robinsons, Inc. bought 18.95 million RCSI shares from Ministop for P18.95 million. This bumped up RRHI’s ownership to 60% from 59.05%.

According to RRHI’s financial report covering the quarter ended September 2021, Ministop recorded a gross profit of P112 billion. Its system-wide sales amounted to P3.98 billion, while the segment’s net sales stood at P3.58 billion.

Ministop’s same stores sales growth stood at 3.3%, higher than the 1.7% seen in the second quarter of 2021. However, its third quarter gross profit and royalty income margin declined 35%.

Ministop has 458 branches across the country as of September last year. RRHI said 90% of its stores were operating, 59% of which are open 24 hours.

Meanwhile, for the first nine months of 2021, RRHI’s net income attributable to equity holders of the parent rose 13.3% to P2.71 billion from P2.39 billion a year ago. This is despite its sales inching down by 0.6% due to the pandemic, scoring P108.93 billion from P109.58 billion.

RRHI shares on the stock market went up 0.52% or 30 centavos on Monday to close at P57.95 apiece. — **Keren Concepcion G. Valmonte**

GMA reports net reach of nearly 96% with 83 million TV viewers

GMA NETWORK, Inc. on Monday reported a net reach of 95.7% for 2021, with an estimated 83 million television (TV) viewers.

“Per major area, GMA’s net reach was 95.6% or 54.4 million viewers in Total Luzon; 96.4% (16.4 million viewers) in Total Visayas; and 94.9% (12 million viewers) in Total Mindanao,” the listed media company said in an e-mailed statement, citing data from market researcher Nielsen Phils.

GMA also said it was the most watched channel in the country last year with a 46% audience share.

GMA used to go head-to-head with ABS-CBN Corp. for free TV reach, but since the non-renewal of its broadcast franchise in 2020, the latter has become primarily a content company.

The Gozon-led network said that it recorded an average of 48.4% total day audience share in Total Luzon, 41.6% in Total Visayas, and 41.3% in Total Mindanao for 2021.

The company announced in December last year that it had set aside slightly less than P2 billion for 2022 to cover various projects,

including the expansion of its digital transmission network and regional television network.

It had budgeted more than P20 billion between 2021 and 2023 for capital expenditures (capex) and content costs.

GMA Chairman and Chief Executive Officer Felipe L. Gozon said during the company’s recent special stockholders’ meeting that the network was expecting the momentum it had in the later part of the fourth quarter of 2021 to last into this year.

“Being a presidential election year, we have a reason to be optimistic. However, it still depends on how far and fast our recovery will be and whether the pandemic will surge or not,” he noted.

GMA’s January-to-September 2021 attributable net income grew 53.3% to P5.98 billion from P3.90 billion previously, as net revenues for the period climbed 30.8% to P16.56 billion — propelled by advertising revenues — from P12.66 billion in 2020.

GMA shares closed 1.89% lower at P14.56 apiece on Monday. — **Arjay L. Balinbin**

8990 Holdings eyes follow-on offering

8990 Holdings, Inc. is planning to conduct a follow-on offering (FOO) through the sale of shares owned by its existing shareholders, TPG Rafter Holdings, Ltd., Pasir Salak Investments Ltd., and IHoldings, Inc.

“The offer will be registered with the SEC and the offer shares will be crossed through the facilities of the PSE (Philippine Stock Exchange),” 8990 Holdings said in a disclosure on Monday.

The listed mass housing developer said its board of directors gave the go signal on plans to sell up to 1.25 billion outstanding

common shares owned by the three shareholders, along with an overallotment option of up to 150 million common shares.

8990 Holdings also plans to issue IHoldings new common shares from the listed company’s unissued capital stock equivalent to the shares IHoldings will sell for the FOO.

The company assured that shares issued to IHoldings will not go over 10% of 8990 Holdings’ resulting total issued and outstanding capital stock.

8990 Holdings may issue up to 450 million new common shares, assuming

the overallotment option is exercised, in favor of IHoldings for the same price as its FOO shares. These shares will also be listed on the PSE.

“There is no expected decrease in the public float of the Company as a result of the foregoing transactions,” 8990 Holdings said.

“The company shall make additional disclosures in due course,” it added.

Shares of 8990 Holdings at the stock exchange declined 2.56% or 30 centavos to P11.40 each. — **Keren Concepcion G. Valmonte**