

FRIDAY, FEBRUARY 18, 2022

BusinessWorld

Philippine Stock Exchange index (PSEi)

7,418.79

▼ 20.14 PTS.

▼ 0.27%

PSEi MEMBER STOCKS

AC Ayala Corp. P860.00 —	ACEN AC Energy Corp. P8.85 -P0.15 -1.67%	AEV Aboitiz Equity Ventures, Inc. P61.20 -P1.60 -2.55%	AGI Alliance Global Group, Inc. P12.80 -P0.12 -0.93%	ALI Ayala Land, Inc. P39.65 +P0.95 +2.45%	AP Aboitiz Power Corp. P36.50 -P0.20 -0.54%	BDO BDO Unibank, Inc. P134.50 -P0.50 -0.37%	BPI Bank of the Philippine Islands P99.40 -P0.60 -0.60%	CNVRG Converge ICT Solutions, Inc. P27.80 -P0.70 -2.46%	EMP Emperador, Inc. P20.20 +P0.20 +1.00%
GLO Globe Telecom, Inc. P2,700.00 -P88.00 -3.16%	GTCAP GT Capital Holdings, Inc. P589.00 +P9.50 +1.64%	ICT International Container Terminal Services, Inc. P217.00 +P1.40 +0.65%	JFC Jollibee Foods Corp. P247.00 -P5.00 -1.98%	JGS JG Summit Holdings, Inc. P62.15 +P0.10 +0.16%	LTG LT Group, Inc. P9.47 —	MBT Metropolitan Bank & Trust Co. P60.30 +P0.10 +0.17%	MEG Megaworld Corp. P3.33 +P0.01 +0.30%	MER Manila Electric Co. P363.60 +P1.60 +0.44%	MPI Metro Pacific Investments Corp. P3.86 -P0.02 -0.52%
PGOLD Puregold Price Club, Inc. P35.95 -P0.45 -1.24%	RLC Robinsons Land Corp. P19.50 +P0.30 +1.56%	RRHI Robinsons Retail Holdings, Inc. P61.05 +P0.55 +0.91%	SECB Security Bank Corp. P117.50 —	SM SM Investments Corp. P921.00 -P6.00 -0.65%	SMC San Miguel Corp. P107.90 -P1.60 -1.46%	SMPH SM Prime Holdings, Inc. P38.20 +P0.20 +0.53%	TEL PLDT, Inc. P1,782.00 -P48.00 -2.62%	URC Universal Robina Corp. P126.60 -P0.90 -0.71%	WLCON Wilcon Depot, Inc. P27.50 +P1.20 +4.56%

DTI gives service, repair firms more time for renewal accreditation

THE Department of Trade and Industry (DTI) extended the filing of applications for the renewal of service and repair enterprises (SREs) in response to the change in the alert level system amid the coronavirus disease 2019 (COVID-19) pandemic.

DTI issued Memorandum Circular No. 22-03 series of 2022 on Jan. 31, which gives a grace period to holders of certificates of accreditation that expired on Dec. 31, 2021. Under the memorandum circular, they are given until March 31 to file their application for the renewal accreditation.

"The grace period was granted by the government to ensure that SREs shall continue to operate and render their services during the implementation of the new alert levels system this pandemic," DTI said in a statement.

"During the said period, covered SREs shall be allowed to operate under the same terms and conditions unless their certificate of accreditation is revoked or canceled for any reason other than the expiration of its validity," it added.

Trade Undersecretary Ruth B. Castelo said the accreditation of service and repair enterprises is required by law to protect consumers who avail of and use their services. — **Revin Mikhael D. Ochave**

FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link <<https://bit.ly/3Jdgatp>>

Firms from 'profitable sectors' to list

By **Keren Concepcion G. Valmonte**
Reporter

THREE companies from "profitable sectors" are planning to list at the Philippine Stock Exchange (PSE) in March, signaling investor confidence in the country's economic recovery, analysts said.

"Generally, the banking, food, and power are among the profitable sectors in a growing economy like the Philippines," Diversified Securities, Inc. Equity Trader Aniceto K. Pangan said in a text message on Saturday.

San Miguel Corp. subsidiary Bank of Commerce, renewable energy firm Raslag Corp., and Fruits Holdings, Inc. unit Balai Ni Fruits, Inc. are planning to conduct their initial public offerings (IPO) in March, with listing dates scheduled right after the other.

Philstocks Financial, Inc. Senior Research Analyst Japhet Louis O. Tantiangco said the PSE's busy listing calendar may be seen as a "sign of confidence towards the economy's outlook."

"An increase in capital raising activities indicates that businesses are anticipating and are preparing for a stronger economy. Thus, the increase in the number of fund-raising activities can be taken

positively by investors," Mr. Tantiangco said in a Viber message of Friday.

Last week, the Securities and Exchange Commission (SEC) said it had "considered favorably" the P3.5-billion IPO of Bank of Commerce. The company's registration statement has been rendered effective, subject to compliance with remaining requirements.

Bank of Commerce is planning to offer up to 280.6 million shares for up to P12.50 apiece. It plans to use net proceeds to fund its lending activities, the acquisition of investment securities, and fund its ATM fleet upgrades and its core banking system.

According to Bank of Commerce's preliminary prospectus dated Feb. 17, the company is planning to conduct its offer period from March 7 to 15. Meanwhile, its listing at the main board of the PSE is tentatively set to March 23 under the stock symbol "BNCOM."

Meanwhile, Pampanga-based solar energy firm Raslag filed with the SEC a registration statement for its P805-million IPO to fund its solar projects.

Raslag will sell as much as 350 million primary common shares for up to P2 each, while J Ten Equities, Inc. will sell 52.5 million secondary shares as an overallotment option. Raslag may raise up to P700 million from selling primary

common shares and will not receive proceeds from the secondary share sale.

Raslag will use its net proceeds to fund the land payments for the 27-hectare property where it plans to build its Pampanga Solar Power Project Phase IV and for the project's development and construction. The company will also use proceeds for the pre-development work of its pipeline solar projects and for general corporate purposes.

According to Raslag's preliminary prospectus dated Dec. 20, 2021, the company plans to conduct its offer period from March 7 to 18. It is looking to list at the main board of the PSE on March 28 with ticker symbol "ASLAG."

Meanwhile, Fruits Holdings wants to maximize the growth opportunities of the bakery sector via a P309-million Balai Ni Fruits IPO. Balai owns Balai Pandalas, Buko ni Fruits, and Fruits House of Desserts.

Balai Ni Fruits will offer up to 325 million primary common shares, while Fruits Holdings will be selling as much as 50 million secondary common shares and a 37.5-million overallotment option for up to 75 centavos per share.

Balai Ni Fruits may raise up to P243.8 million in gross

proceeds from selling its primary shares to the public. The company said in its preliminary prospectus dated Dec. 27, 2021 that it plans to use majority of the proceeds for its store network expansion to open 120 new stores this year, while it also plans to set up commissaries and acquire other brands.

The Fruits Holdings unit plans to conduct its offer period from March 16 to 22, while its listing at the small, medium, and emerging board of the PSE is scheduled for March 30.

"The past performances of the company and management proven growth track record will serve as their acceptance among investors. Also, the price valuation will play a key role, especially in this volatile market," Diversified Securities' Mr. Pangan said.

Bank of Commerce and Raslag plan to set the price for their respective IPO shares on March 1, while Balai ni Fruits will set its final IPO price on March 7.

"Some of our recent IPOs have [shown] good performances, at least in their first few days in the market," Philstocks Financial's Mr. Tantiangco said, referring to Solar Philippines Nueva Ecija Corp., Haus Talk, Inc., and Figaro Coffee Group, Inc.

FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link <<https://bit.ly/36rb2j5>>

Medilines expects record year after P1-B orders

MEDILINES Distributors, Inc. is expecting another record year in 2022 after the company closed contracts to install P1-billion worth of cancer therapy equipment.

"The delivery and installation contracts of these machines already account for half of our 2022 full year revenue target putting us on track to hit another record year in sales," Medilines Chairman Virgilio B. Villar said in a statement.

"We are committed to bring advanced cancer treatment into the country's public and private hospitals through these machines," he added.

Medilines said it would also deliver a linear accelerator, which is a new technology that is capable of delivering treatment doses accurately. The company distributes these machines by US-based Varian Medical Systems.

The company will deliver cancer therapy equipment to hospitals beginning the second quarter as soon as the sites are ready. The hospitals that will be receiving the machines include Legazpi City's Bicol Regional Training and Teaching Hospital, Northern Mindanao Medical Center in Cagayan de Oro City, and the Philippine Children's Medical Center in Quezon City.

Medilines is also set to complete cancer projects in Cebu and Davao.

Meanwhile, its cancer project at the Philippine General Hospital is also expected to be finished this year after the company finishes the bunker setting for the machine.

The company said last week that it ended the year with a 50% profit jump compared with the P103 million generated in 2020. It also logged a 10% top line growth to P1.6 billion in unaudited gross revenues.

Medilines shares at the stock market closed unchanged at P1.14 apiece on Friday. — **Keren Concepcion G. Valmonte**

OUTLIER

PLDT inches down as investors look for growth sectors

By **Abigail Marie P. Yraola** Researcher

PLDT, Inc. shares dipped as investors rotated their funds by shifting to other sectors poised to grow as movement restrictions gradually eased.

Data from the Philippine Stock Exchange (PSE) showed a total of 666,815 PLDT shares worth P1.2 billion exchanged hands from Feb. 14 to 18, making it the 11th most actively traded in the stock market last week.

PLDT finished at P1,782 apiece on Friday, down by 2.6% week on week. Year to date, the stock's price fell by 1.7%.

Regina Capital Development Corp. Equity Analyst Anna Corene M. Agravio said PLDT was volatile than usual last week, attributing it to "investor's rotation," as the number of coronavirus disease 2019 (COVID-19) cases decline and the government lowering the alert level systems in the country.

"Investors rotated their funds out of pandemic-defensive stocks, such as PLDT, and into stocks considered as 'reopening plays,'" she said.

For PNB Securities, Inc. President Manuel Antonio G. Lisbona, the stock's price action implies that the market is expecting PLDT to generally underperform the market for the next six to 12 months.

"This is in line with our estimated valuation... implies a 10.2% downside from the current price, which of course, can be tempered or reversed if PLDT's full-year 2021 results surprise to the upside," Mr. Lisbona said.

As of Feb. 18, the country posted 2,232 new coronavirus infections, the 10th consecutive day additional infections fell below 5,000, bringing the total cases since the pandemic started to 3.6 million. Active cases stood at 65,796.

Metro Manila and nearby areas will remain under Alert Level 2 until the end of the month as new infections remain low.

Under Alert Level 2, more business establishments are allowed to operate at higher capacities of up to 70%.

FULL STORY



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Meralco Improves Amadeo Delivery Point Substation — Meralco recently commissioned an additional 300-MVA power transformer in its Amadeo 230 kV-115 kV delivery point substation located along Crisanto M. De Los Reyes Avenue, Barangay Banay-Banay Amadeo, Cavite. This additional power transformer bank will help prevent widespread and prolonged power interruptions that could affect numerous residential, commercial, and industrial customers in the province of Cavite. This project will also provide

the additional capacity needed to serve the increasing power demand in the high growth areas in the same area, such as in Gateway and FCIE industrial parks. Despite the continued implementation of community quarantine measures or the new alert level system throughout the country due to the COVID-19 pandemic, Meralco and its subsidiaries are continuously working hard to improve its distribution system in order to provide safe, adequate, and reliable electric service to its customers.

ERC says SC affirms P480-million refund to Ilocos Norte power users

THE Energy Regulatory Commission (ERC) said on Sunday that the Supreme Court (SC) upheld the agency's decision that ordered an electric cooperative in Ilocos Norte to refund P480 million to consumers instead of the smaller amount it sought for approval.

In a statement, ERC Chairperson and Chief Executive Officer Agnes VST Devanadera described the High Court's decision as a victory not only for the commission "but more importantly a victory for the consumers."

"This shows that our regulatory policies have the consumers' welfare in mind — that is to protect their interests by ensuring that what was charged and collected from them are but reasonable and accurate rates," she said.

The ERC said the SC in a 21-page decision released on Feb. 3 upheld the agency's decision that stemmed from Ilocos Norte Electric Cooperative, Inc.'s (INEC) application for approval to refund over-recoveries from consumers.

In its decision, the ERC directed the electricity distributor to refund to its customers some P480 million representing over-recoveries in its power billings from 2004 to 2010.

INEC had sought the ERC's approval to refund a total of some P8 million for the said period. But upon evaluation, the ERC computed the higher amount.

The ERC said INEC, upon the agency's denial of its motion for reconsideration, filed a petition for review before the Court of Appeals (CA). However, the CA affirmed the ERC decision and denied INEC's petition.

INEC then elevated the matter to the SC, which ruled and affirmed the ERC and CA's respective decisions.

The ERC said the SC argued, among others, that findings of administrative or regulatory agencies on matters within their technical area of expertise are accorded not only respect but finality as these are supported by substantial evidence.

Furthermore, it said the SC ruled that the CA correctly decided that the electric cooperative cannot demand the ERC "to intricately explain" its decision "as long as it had sufficiently shown the bases and formulae used for computing the over-recoveries and provided INEC with ample opportunity to raise its objections thereto."

Ms. Devanadera said: "We will always adhere to our mandate of protecting all consumers and promote public welfare as they are affected by the rates and services of Distribution Utilities and other providers of electric power, and that is consumer empowerment."

BusinessWorld has reached out to INEC for comment on the decision, but was not able to receive a response immediately. — **M.C. Luceno**