

Philippine Stock Exchange index (PSEi)

7,019.92 ▲ 202.97 PTS. ▲ 2.97%

TUESDAY, MARCH 15, 2022
BusinessWorld

PSEi MEMBER STOCKS

AC Ayala Corp. P789.00 +P29.50 +3.88%	ACEN AC Energy Corp. P8.10 +P0.22 +2.79%	AEV Aboitiz Equity Ventures, Inc. P59.90 -P0.10 -0.17%	AGI Alliance Global Group, Inc. P12.02 -P0.10 -0.83%	ALI Ayala Land, Inc. P35.40 +P1.35 +3.96%	AP Aboitiz Power Corp. P33.00 -P1.60 -4.62%	BDO BDO Unibank, Inc. P129.70 +P5.60 +4.51%	BPI Bank of the Philippine Islands P96.00 +P4.00 +4.35%	CNVRG Converge ICT Solutions, Inc. P22.00 -P0.65 -2.87%	EMP Emperador, Inc. P13.26 +P0.02 +0.15%
GLO Globe Telecom, Inc. P2,240.00 -P110.00 -4.68%	GTCAP GT Capital Holdings, Inc. P500.00 -P2.00 -0.40%	ICT International Container Terminal Services, Inc. P220.00 +P8.00 +3.77%	JFC Jollibee Foods Corp. P228.00 +P9.60 +4.40%	JGS JG Summit Holdings, Inc. P58.75 +P3.75 +6.82%	LTG LT Group, Inc. P9.10 +P0.17 +1.90%	MBT Metropolitan Bank & Trust Co. P53.00 +P1.00 +1.92%	MEG Megaworld Corp. P3.01 ---	MER Manila Electric Co. P360.00 +P5.80 +1.64%	MONDE Monde Nissin Corp. P15.50 +P1.10 +7.64%
MPI Metro Pacific Investments Corp. P3.60 +P0.01 +0.28%	PGOLD Puregold Price Club, Inc. P31.80 -P0.25 -0.78%	RLC Robinsons Land Corp. P19.10 +P0.10 +0.53%	SECB Security Bank Corp. P104.10 -P1.60 -1.51%	SM SM Investments Corp. P911.00 +P31.00 +3.52%	SMC San Miguel Corp. P107.00 +P4.30 +4.19%	SMPH SM Prime Holdings, Inc. P39.00 +P1.55 +4.14%	TEL PLDT, Inc. P1,740.00 +P25.00 +1.46%	URC Universal Robina Corp. P105.00 +P2.70 +2.64%	WLCON Wilcon Depot, Inc. P27.00 +P0.75 +2.86%

PAL eyeing to offer last-mile cargo deliveries

PHILIPPINE Airlines, Inc. (PAL), which celebrated its 81st anniversary on Tuesday, is working to strengthen its cargo business to take advantage of the e-commerce boom.

PAL, which hopes to return to its pre-pandemic size in two to three years, is studying to convert some of its aircraft to cargo-only airplanes.

“We are looking into that. We are exploring,” PAL’s newly appointed President and Chief Operating Officer Capt. Stanley K. Ng told reporters, adding that “the e-commerce is getting stronger.”

“We will innovate our business by integrating our cargo reservations system with a new cargo mobile app and website and create more cashless payment options and offer last-mile cargo deliveries directly to homes and offices, soon in the Philippines.”

PAL will have a one-way cargo flight from Asia to the United States to transport medical supplies. The airline will use the air-

craft back as a passenger airplane, Mr. Ng also said.

PAL is also studying to acquire more aircraft in order to revert to its pre-pandemic size.

“It will take about two to three years because we’ve reduced our fleet size,” Mr. Ng said.

“We need to forecast the demand. If we forecast that the demand will be enough, then that’s the time when we can actually customize,” he added.

On the impact of the rising fuel prices on PAL’s operations,

he said: “The fuel component is about 50% of our costs... We are actually managing it. We are looking into solutions on how to manage the situation right now.”

“We are working with the Civil Aeronautics Board to add some fuel surcharge to the fares. However, we will make sure that it will still be reasonable for passengers,” he added.

PAL also announced on Tuesday its 81st Anniversary Seat Sale. “It is our biggest sale of the year with the lowest fares, with over

five million seats on sale from March 15 to 21,” Mr. Ng said.

“Next... by April, we will embark on a new ‘Project Open,’ a partnership between PAL and the Department of Tourism to revive the Philippine tourism industry on which many communities and local businesses depend.”

PAL Director Lucio C. Tan III said the company’s 81st anniversary is a “rebirth.”

“In overcoming the pandemic, we have created a new Philippine Airlines.”

“It’s a new PAL because we emerged in record time from our restructuring with fresh capital — \$505 million infused by our chairman, Lucio C. Tan; lower debt — a \$2-billion reduction in debt, as agreed with our major creditors via a 100% positive vote under the Chapter 11 process; and a streamlined fleet — anchored on 70 aircraft, from island-hoppers to wide-body long-haul aircraft including NEOs, A350s and B777s,” Mr. Tan noted. — **Arjay L. Balinbin**

PLDT Home: Market underpenetrated at 20%

PLDT, Inc. on Tuesday said its Home business, which offers fixed broadband services to residential customers, is aiming to reach more areas in the Visayas and Mindanao, as the overall market is still underpenetrated at around 20%.

“The group is anticipating PLDT Home to grow its revenues at an accelerated pace as it adds more fiber customers, with the market still underpenetrated at approximately 20%, compared with up to 50% penetration in the Asian region,” PLDT and Smart Communications, Inc. President and Chief Executive Officer Alfredo S. Panlilio said in an e-mailed statement.

Mr. Panlilio expects PLDT’s Home business to continue its strong performance “given the latent demand, as well as our improved service metrics and the upcoming conclusion of our copper migration campaign.”

PLDT Home said it registered 1.13 million new fiber subscribers last year, up from its target of one million new subscribers.

PLDT now has nearly three million fixed broadband customers.

“This exceptional performance sets the foundation for 2022 and beyond as we continue to build on our strengths as an integrated telco and our commitment to serve our customers in

the best way possible,” Mr. Panlilio said.

PLDT Home is ramping up installations this year, according to the group.

The goal is “to serve untapped markets, fast-track completion of migration for the remaining copper customers to fiber, and continuously improve in terms of operations using automation,” it noted.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Arjay L. Balinbin**

Nickel Asia companies extend and renew output sharing deals

NICKEL Asia Corp. on Tuesday announced that its mining subsidiaries were granted extensions and renewals for their mineral production sharing agreements by the Department of Environment and Natural Resources (DENR).

Nickel Asia wholly owned subsidiary Hinatuan Mining Corp. was granted an extension for its mineral production sharing agreement and was permitted to resume operations in Eastern Samar.

On March 14, Hinatuan Mining received an order from the DENR extending the first 25-year term of its mineral production sharing agreement with the government for fifteen years.

The order also lifted the suspension of Hinatuan Mining’s operations in a 1,165-hectare area in Manicani Island in Guian, Eastern Samar.

Cagdianao Mining Corp., also a wholly owned subsidiary of Nickel Asia, also received a renewal for its mineral production sharing agreement with the government and East Coast Mineral Resources Co., Inc. for another 25 years, from the

expiration of the first 25-year term on Nov. 19.

This covers a 697,0481-hectare area in Valencia, Cagadiano in the Dinagat Islands.

“East Coast Mineral Resources authorized Cagdianao Mining to undertake mineral exploration, development, and utilization activities,” Nickel Asia said in a disclosure on Tuesday.

In 2021, Nickel Asia reported that its net income attributable to equity holders rose by 91.9% to P7.81 billion due to higher global ore prices, expansions in its renewable energy business, and increased equity in nickel processing.

The company’s earnings before interest, tax, depreciation and amortization (EBITDA) climbed 52.1% to P14.4 billion from P9.47 billion in the prior year, due to higher ore sales prices.

Total revenue increased by 26% to P27.4 billion from P21.8 billion in 2020.

At the stock exchange, Nickel Asia shares fell by 52 centavos or 6.52% to close at P745 apiece. — **Luisa Maria Jacinta C. Jocsnon**

Cargo transport company wins tax case vs BIR

THE Court of Tax Appeals granted the appeal of a cargo transportation company to set aside its deficiency taxes for the calendar year 2009.

In a 33-page resolution dated March 14, the court ruled that the formal demand letter of the commissioner of the Bureau of Internal Revenue (BIR) was void. The appellate court also directed the BIR to refrain from further action related to the collection of the said taxes.

Executive International Movers, Inc., the petitioner, is a domestic company engaged in the general business of cargo and freight forwarding.

The court said the appeal filed by the company was timely submitted, giving it jurisdiction to decide over the case.

“The revenue officers who continued to audit investigation of petitioner were not authorized by a valid Letter of Authority; hence, the resulting tax assessments are void,” the court said in its ruling.

The revenue officers initially in charge of assessing the accounting books of the company were authorized by a letter of authority by a BIR regional director.

However, the revenue officers who were assigned to continue the examination of the company’s books of accounting were only ordered through a memorandum of assignment without a letter of authority. — **John Victor D. Ordoñez**

FULL STORY

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

PetroEnergy reallocates P168-M offering proceeds

PETROENERGY Resources Corp. on Tuesday said its board of directors had approved the reallocation of the remaining proceeds from its stock rights offering to fund prospective renewable energy power projects.

Of the remaining proceeds, the company earmarked around P167.67 million for the pipeline projects, which are the second phase of its 20-megawatt-peak (MWp) Tarlac solar power project, 14-MW phase two of its Nabas wind power project, and the 10-20 MWp Puerto Princesa solar power project.

The three projects were allotted P37.54 million, P65.06 million, and P65.06 million, respectively.

“The reallocation will allow flexibility in funding multiple projects in the pipe-

line” including the Nabas and Puerto Princesa projects, the company said.

Last month, PetroEnergy cited a pipeline of solar and wind projects with a combined capacity of around 400 MW as part of its medium- to long-term plan.

The projects will be implemented through its renewable energy subsidiaries, namely: PetroGreen Energy Corp., PetroSolar Corp., “or other new subsidiaries that may be formed.”

PetroEnergy’s stock rights offering was undertaken on Jan. 22 to 26, 2018 for 157,975,512 common shares with gross proceeds of P758.28 million.

The rights offer entitled eligible stockholders as of record date of Jan. 12, 2018 to subscribe to one rights share for

every 2.6 shares held at an offer price of P4.80 per share.

The proceeds from the offering were used for the development and expansion plans of the group’s renewable energy projects, general corporate requirements, and payments of loans and the related interest.

In the third quarter of 2021, PetroEnergy reported an attributable net income of P89 million, or more than double the P41.33 million registered in the same period the earlier year.

As of the third quarter of last year, its attributable net income reached P323.46 million, up 59.6% from P202.64 million in the same three quarters in 2020.

On Tuesday, PetroEnergy shares slipped P0.130 or 2.83% to close at P4.47 each.

Napocor seeking regulator nod to use P335 million for watersheds

THE National Power Corp. (Napocor) has sought regulatory approval to avail and use around P335.35 million from a component of the universal charge collected from consumers for its environmental function to rehabilitate watersheds.

In its application filed with the Energy Regulatory Commission (ERC), the state-led firm said its environmental projects for 2022 require the budget to address “uncontrolled deforestation” in watershed areas.

“For the past 20 years (2002-2022), [Napocor] continues to embark on nonstop greening initiatives in various watershed areas that gained acceptance and encouraged cooperation from stakeholders,” the government-owned and controlled corporation said.

Under Republic Act No. 9136 or the Electric Power Industry Reform Act of 2001 (EPIRA), Napocor is entitled to the environmental charge collected from electricity users equivalent to one-fourth of one centavo per kilowatt-hour (kWh) of electricity sales or P0.0025 per kWh.

The environmental charge is intended solely for watershed rehabilitation and management, which is a function of Napocor under existing arrangements.

ERC is required to file with the ERC to avail of the funds collected from consumers.

In its filing docketed at the ERC on March 14, Napocor said it was granted in 1987 through an executive order complete jurisdiction, control and jurisdiction over five watershed areas surrounding the reservoir of plants or projects it constructed.

These areas are Upper Agno watershed reservation, Angat watershed reservation, Caliraya Lumot watershed reservation, Makiling-Banahaw geothermal reservation, Buhi-Barit watershed, and Tiwi geothermal reservation.

Aside from the six areas, Napocor also listed other areas under its 2022 rehabilitation program called “Plan 18,” namely: San Roque watershed (Lower Agno) and Lake Lanao-Pulangi watershed.

The universal charge is imposed for the recovery of the stranded debts, stranded contract costs of Napocor and stranded contract costs of eligible contracts of distribution utilities.

Aside from managing watersheds and water resources, the corporation is also mandated to provide electricity to rural areas, and to optimize the use of other power generating assets.

SFA SEMICON

SFA SEMICON PHILIPPINES CORPORATION
Panday Pira Avenue corner Creekside Road, Clark Freeport Zone, Pampanga

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Notice is hereby given that the 2022 Annual Stockholders’ Meeting of SFA Semicon Philippines Corporation (“SSP”) will be held on **April 22, 2022 (Friday) at 10:00 A.M.** by remote communication via livestreaming through Zoom from SSP’s offices in Panday Pira Ave. corner Creekside Road, Clark Freeport Zone, Pampanga.

The Agenda of the meeting is as follows:

1. Call to Order
2. Certification of Notice and Quorum
3. Presentation of Management’s 2021 Annual Report and of the Audited Financial Statements as of the Year Ended December 31, 2021
4. Presentation of the Minutes of the Previous Annual Meeting of the Stockholders held on April 16, 2021
5. Ratification of the Corporate Acts of the Board of Directors and Management since the 2021 Annual Stockholders’ Meeting
6. Election of Directors
7. Appointment of External Auditors
8. Other Matters as may properly come before the Meeting
9. Adjournment

The explanation of, and the materials on, the Agenda items are found in the Definitive Information Statement and its attachments which can be accessed and downloaded at the PSE Edge and at SSP’s website (at <http://www.sfasemicon.com.ph/2022-asm.php>).

Only SSP stockholders as of close of business on **March 22, 2022** (i.e., the record date) are entitled to notice of, to participate, and to vote at the Annual Stockholders’ Meeting and any adjournments or postponements. The stock and transfer book of SSP will not be closed.

For safety and health reasons due to the continuing pandemic, stockholders may participate **only (1) by remote communication via livestreaming** (without prejudice to the attendance at the venue of the meeting of the Chairman of the Meeting, directors, key officers and representatives, and SSP’s staff, who may be stockholders, as may be needed in the conduct of the meeting, subject to observance of the required health and safety protocols), OR (2) **by proxy** in favor of either (i) the Chairman of the Meeting, or (ii) an officer or director attending at the venue of the meeting and, in the absence of said director or officer, in favor of the Chairman of the Meeting.

Voting shall be (a) by proxy, or (b) *in absentia* through emailed ballot.

Stockholders who wish to participate via livestream and/or vote *in absentia* must email to SSP their intent to do so, **together with all** the required documents and information listed in **Schedule A-1** (the “verification documents & information”) to enable SSP to verify the identity of the stockholders, and the accomplished ballot form (in the form of **Schedule A-2**).

Stockholders who wish to participate and vote by proxy must email their accomplished proxy form (in the form of **Schedule A-3** and in favor of either (i) the Chairman of the Meeting, or (ii) an officer or director attending at the meeting venue and, in the absence of said director or officer, in favor of the Chairman of the Meeting), **together with all** the verification documents & information listed in **Schedule A-1**.

The notice to participate via livestream and/or vote *in absentia*, the verification documents & information, and the accomplished ballot form or proxy form, must be emailed to, and received by, SSP (to the attention of the Corporate Secretary/Assistant Corporate Secretaries) at ssp.ir@sfasemicon.com, **no later than 5:00 P.M. of April 11, 2022**.

Please note, however, that the **MANAGEMENT IS NOT SOLICITING YOUR PROXY**.

Questions relevant to the Agenda (1) may be emailed to the attention of the Corporate Secretary/Assistant Corporate Secretaries at ssp.ir@sfasemicon.com, **no later than 5:00 P.M. of April 13, 2022**, and/or (2) may be asked during the meeting via chatbox.

Make sure you read the **Detailed Instructions on Participating and Voting in the 2022 Annual Stockholders’ Meeting of SFA Semicon Philippines Corporation (Schedule A)** for more detailed and additional instructions. These more detailed and additional instructions (**Schedule A**), the list of verification documents & information (**Schedule A-1**), the ballot form (**Schedule A-2**), and the proxy form (**Schedule A-3**), may be accessed and downloaded from SSP’s website (at <http://www.sfasemicon.com.ph/2022-asm.php>).

Proxies and ballots will be validated and the identity of the stockholders will be verified by SSP’s stock transfer agent, BDO Unibank, Inc., on April 12, 2022 at approximately **4:00 P.M.** at BDO Unibank, Inc. - TIG Securities Services Unit, 14F BDO Towers, Valero, 8741 Paseo de Roxas, Makati City.

The meeting link and other instructions for accessing and participating in the meeting via livestream will be emailed at any time from April 13-18, 2022 by SSP to stockholders who emailed their intent to participate by livestream in accordance with this Notice of Meeting and **Schedule A**, and whose identity has been verified by SSP. The meeting will be visually and/or audio recorded, which recording will form part of the corporate records of SSP.

MARIETTA A. TIBAYAN
Corporate Secretary