

Philippine Stock Exchange index (PSEi)

7,156.07

▼ 7.14 PTS.

▼ 0.10%

TUESDAY, APRIL 5, 2022

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P815.00 +P7.00 +0.87%	ACEN AC Energy Corp. P8.85 -P0.01 -0.11%	AEO Aboitiz Equity Ventures, Inc. P60.00 —	AGI Alliance Global Group, Inc. P12.50 +P0.22 +1.79%	ALI Ayala Land, Inc. P34.85 -P0.45 -1.27%	AP Aboitiz Power Corp. P37.00 +P1.00 +2.78%	BDO BDO Unibank, Inc. P133.40 +P2.20 +1.68%	BPI Bank of the Philippine Islands P99.20 +P0.20 +0.20%	CNVRG Converge ICT Solutions, Inc. P29.30 +P0.35 +1.21%	EMP Emperador, Inc. P14.20 +P0.10 +0.71%
GLO Globe Telecom, Inc. P2,420.00 -P78.00 -3.12%	GTCAP GT Capital Holdings, Inc. P532.00 +P0.50 +0.09%	ICT International Container Terminal Services, Inc. P226.00 +P1.20 +0.53%	JFC Jollibee Foods Corp. P229.80 +P1.80 +0.79%	JGS JG Summit Holdings, Inc. P59.20 -P1.70 -2.79%	LTG LT Group, Inc. P9.09 +P0.09 +1.00%	MBT Metropolitan Bank & Trust Co. P56.95 +P0.05 +0.09%	MEG Megaworld Corp. P3.02 +P0.01 +0.33%	MER Manila Electric Co. P374.00 +P0.20 +0.05%	MONDE Monde Nissin Corp. P13.28 -P0.10 -0.75%
MPI Metro Pacific Investments Corp. P3.80 +P0.02 +0.53%	PGOLD Puregold Price Club, Inc. P37.75 +P0.55 +1.48%	RLC Robinsons Land Corp. P20.40 +P0.30 +1.49%	SECB Security Bank Corp. P109.80 +P0.80 +0.73%	SM SM Investments Corp. P889.00 -P1.00 -0.11%	SMC San Miguel Corp. P109.50 +P0.50 +0.46%	SMPH SM Prime Holdings, Inc. P38.00 -P0.15 -0.39%	TEL PLDT, Inc. P1,818.00 +P3.00 +0.17%	URC Universal Robina Corp. P118.00 -P3.70 -3.04%	WLCON Wilcon Depot, Inc. P26.80 -P0.65 -2.37%

SEC voids license of two firms for illegal scheme

THE Securities and Exchange Commission (SEC) has revoked the certificates of incorporation of ScentKoWorld Corp. and Brendahl Cruz Holdings, Inc. for illegally selling securities to the public.

In its revocation order, the SEC found the two companies to have been promising the public a 400% return for investing in their “buy and earn” programs.

“Under its investment scheme, ScentKoWorld entices the public to buy perfume and beauty products in exchange for ‘cash sales rewards’ equivalent to 400% of the purchase price. Hence, their member was promised a return of P20,000 for simply buying a package worth P5,000,” the SEC said.

“Also, their members may receive the promised return in about 30 days, without having to resell the products, depending on how soon ScentKoWorld can recruit new members. Accordingly, the company encourages its members to recruit others as well. And lastly, ScentKoWorld promises a referral fee equivalent to 10% of the amount invested by the new member,” it added.

The SEC said the investment scheme has the characteristics of an investment contract, which must first be registered with the commission before it is offered and sold or distributed to the public.

The regulator found that ScentKoWorld and Brendahl

Cruz Holdings have not registered any securities that would allow them to offer or sell securities to the public and that they are not licensed capital market professionals such as, among others, securities brokers.

In 2019, a cease-and-desist order was issued by the commission against entities affiliated with Brendahl Cruz, including ScentKoWorld and Brendahl Cruz Holdings.

“The said corporations did not pay attention thereto, and in fact, continued their investment-taking activities,” the SEC said.

“The department was able to prove that the entities involved therein were engaged in illegal ac-

tivities of soliciting investments from the public without the requisite secondary license, and worse, the investment-taking activities are within the context of a Ponzi Scheme as there was nothing that would indicate that there is a lawful business activity from which to generate the supposed income to be distributed to their member-investors,” it added.

In 2018, ScentKoWorld registered with the commission with its primary purpose stated as “to engage in wholesale trading of goods and merchandise, provided that the corporation shall not solicit, accept or take investments and placements from the public neither shall it issue investment contracts.”

Meanwhile, Brendahl Cruz Holdings registered with the commission in 2019. It stated its primary purpose was to “acquire by purchase, exchange, assignment or otherwise, and sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, deal, in and with and otherwise operate, enjoy, and dispose of, all properties of every kind and description and wherever situated and to the extent permitted by law, including but not limited to real estate, whether improve or unimproved, and any interest or rights therein, as well as buildings, tenements, warehouses, factories, edifices and structures and other improve-

ments, and shares of capital stock or other securities, among others.”

The SEC warned the public not to invest or stop investing in any investment scheme being offered by the two companies.

“Those who act as salesmen, brokers, dealers or agents in selling or convincing people to invest in [said entities] including soliciting investments or recruiting investors through the internet may be held criminally liable,” the commission said.

Violators may also face a penalty of a maximum fine of P5 million or imprisonment of up to 21 years. — **Luisa Maria Jacinta C. Jocsion**

SN Aboitiz Power set to build energy storage system

ABOITIZ Power Corp.’s joint venture with Norwegian firm Scatec will start this month the construction of a 20-megawatt (MW) battery energy storage system (BESS) located at the Magat hydroelectric power plant in Ramon, Isabela province, the listed energy company said on Tuesday.

In a disclosure, AboitizPower said the joint venture, SN Aboitiz Power (SNAP) Group, signed on March 25 the engineering, procurement and construction (EPC) agreement with Hitachi Energy for the development of the Magat BESS project.

“We are excited about technologies like BESS that complement our ambition of bringing forth an RE

(renewable energy)-powered future, and continue to explore and assess other greenfield and brownfield opportunities beyond hydropower and floating solar. We also appreciate the support of our banking partners for project financing,” SNAP Group President and Chief Executive Officer Joseph S. Yu said.

The joint venture tapped Bank of the Philippine Islands and China Banking Corp. to provide financing for the project.

Early-phase activities for the Magat BESS project were completed in 2021 as part of the pre-construction stage, which included site surveys and basic engineering design, AboitizPower said.

Magat BESS, which is expandable to 24-MW, is planned to be used primarily for ancillary services or reserve power.

The project marks the first venture between renewable energy providers AboitizPower and Scatec after the latter acquired hydropower developer SN Power. It is targeted for commercial operation in the first quarter of 2024.

Scatec General Manager for Southeast Asia Torbjørn Elliot Kirkeby-Garstad said that building the BESS facility is the first step in the company’s ambition to work on more initiatives in the Philippines.

“The Philippines is an important market for Scatec, and we see several promising opportunities, especially in renewables,” he added.

AboitizPower said in line with the BESS project, grid operator National Grid Corporation of the Philippines is set to upgrade the 230-kilovolt Magat-Santiago transmission line.

“The upgrade will allow SNAP to continue adding capacities within the Magat area for additional projects,” it said.

On Tuesday, shares in AboitizPower rose by a centavo 2.78% to close at P37 apiece. — **Ram Christian S. Agustin**

Cebu Pacific: Cash enough to support operations

BUDGET carrier Cebu Pacific, operated by Cebu Air, Inc., said it has sufficient cash to support its operations for the next 18 months.

“As of March 30, 2022, the group has undertaken various financing activities intended to ensure availability of sufficient financial resources to enable the group to continue as a going concern,” Cebu Air said in its annual report.

“Its cash and cash equivalent balance of P18.14 billion as of Dec. 31, 2021 is sufficient to support the operations of the group for the next 18 months,” the airline group noted.

It expects to maintain cash and cash equivalents from internally generated cash flows, refund of pre-delivery payments on new aircraft to be subjected to sale and leaseback, and a P16-billion term loan facility with various banks for the next 12 months.

“Accordingly, management has assessed that the group will have sufficient financial resources to enable the group to continue as a going concern for at least the next twelve months from Dec. 31, 2021.”

The company incurred a net loss of P24.9 billion and 22.2 billion for 2021 and 2020, respectively.

The pandemic has “disrupted the business of the group in 2021 and 2020, resulting in significant deterioration of earnings and cashflows, and may continue to significantly disrupt the business activities of the group,” Cebu Air noted.

The airline company also said it will have 53 aircraft deliveries from this year to 2027.

“The additional aircraft will support the Airline group’s plans to increase frequency on current routes and to add new city pairs and destinations,” it added.

At the same time, the company expects to increase the number of its employees this year to 3,678 from 3,046 in 2021.

It aims to restore more than 100% of its pre-pandemic domestic capacity this month.

Cebu Air shares closed 0.63% lower at P47.50 apiece on Tuesday. — **Arjay L. Balinbin**

MPTC expects 10-15% rise in traffic volume during Holy Week

METRO Pacific Tollways Corp. (MPTC) will be implementing a technology-based approach to help motorists manage their trips during the Holy Week, as traffic volume on its network is expected to climb between 10% and 15%.

The company’s enhanced customer journey services are reflected in MPT DriveHub’s traffic update function to help motorists anticipate traffic conditions ahead, officials said during a briefing on Tuesday, referring to the company’s all-in-one travel application.

The North Luzon Expressway (NLEX) currently has an average traffic flow of “about 410,000,” NLEX Corp. President and General Manager J. Luigi L. Bautista said.

“We are expecting that this will increase by about 10-15%, so expect that this number will be about 470,000 during the Holy Week,” he added.

As for the Manila-Cavite Expressway (CAVITEX), CAVITEX Infrastructure Corp. President and General Manager Roberto V. Bontia said: “We’ve been transacting roughly around 152,000 vehicles a day, so we are expecting a 10% increase.”

Meanwhile, the Cavite-Laguna Expressway (CALAX), which now averages 28,000 vehicles per day, is expected to reach an average daily traffic of over 30,000 during the Holy Week, he noted.

“As we return to some normalcy as compared to recent years, we have anticipated this increase in volume by fielding additional personnel and offering special roadside services,” said MPTC President and Chief Executive Officer Rodrigo E. Franco.

The MPTC will be implementing its “Safe Trip Mo Sagot Ko” motorist assistance program on NLEX, CAVITEX, CALAX, CAVITEX C5 Link, and Subic-Clark-Tarlac Expressway (SCTEX) from April 8 to 18.

“Included in this program are the increased deployment of patrol crews, traffic marshals, security teams, and toll plaza

personnel to ensure safety, and provide immediate assistance to motorists,” the company said.

“As in the past, emergency medical services and incident response teams will also be augmented and will be stationed at strategic areas of the expressways,” it added.

The company will suspend lane closures and mainline road works during the period “unless safety repairs are necessary.”

There will be a free towing service at the nearest exit for Class 1 vehicles from 6 a.m. of April 13 to 6 a.m. of April 18.

The company said motorists are encouraged to use RFID stickers (radio-frequency identification) for faster and safer transactions.

“Those who have no RFID sticker yet may have it installed for free in any of the Easytrip installation sites, and pay the initial load.”

“For the complete list of installation sites and reloading options, motorists may visit the Easytrip website www.easytrip.ph or download the MPT DriveHub app,” it also noted.

The mobile application integrates three key functions in one: RFID transactions, trip planning, and emergency roadside assistance.

“Motorists can check their RFID balance and reload their accounts within MPT DriveHub before they travel on NLEX, SCTEX, CAVITEX or CALAX. A toll fee calculator is also in the app to help users calculate how much load they need in their RFID accounts,” the company said.

MPTC is the toll road arm of Metro Pacific Investments Corp., one of three key 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 Media-Quest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Arjay L. Balinbin**

Filinvest Land plans renewable energy plants in Tarlac, Laguna

FILINVEST Land, Inc. (FLI) announced on Tuesday that it signed a memorandum of understanding with Filinvest-ENGIE Renewable Energy Enterprise, Inc. (FREE) to explore installing renewable energy generation facilities in its projects in Tarlac and Laguna.

“This partnership allows us to help bolster emerging sustainable, smart cities in the country. With these measures that improve energy efficiency and reduce carbon emissions, we, together with Filinvest Land, aim to deliver more impactful climate action,” FREE President and Chief Executive Juan Eugenio L. Roxas said in a statement.

The facilities are expected to be built in Filinvest Land’s latest industrial development, Filinvest Innovation Parks at New Clark City in Tarlac and Ciudad de Calamba in Laguna.

The New Clark City park is a 120-hectare sustainable business hub while the park in Ciudad de Calamba is a 25-hectare industrial development.

“The Filinvest Innovation Parks are poised to be a catalyst for progress. Our industrial developments are master planned for the needs of rapidly growing industries such as logistics, e-commerce, and data centers,” Filinvest Land Vice-President Francis V. Ceballos said.

The renewable energy project will be the first of its kind for Filinvest Land’s industrial and logistics business segment.

“We are excited to bring eco-efficient solutions to this business segment. This will not only create value for Filinvest Land but also for our partner tenants through competitive power rates and carbon footprint reduction,” Filinvest Land Chief Strategy Officer Tristan D. Las Marias said.

“This partnership will harness the combined expertise of Filinvest and ENGIE to develop sustainable energy

solutions such as solar, district cooling, and facilities management to power smart, future-forward cities that drive and accelerate progress while reducing their carbon footprint. Through the collaboration, FREE and Filinvest Land will embark on their first phase of cooperation by developing renewable energy generation systems in ready-built factories within the two Filinvest Innovation Parks,” Filinvest Land added.

FREE is a joint venture company between FDC Utilities, Inc., the power utility arm of Filinvest Development Corp. (FDC), and ENGIE Services Philippines. It was established to finance, build and operate renewable energy projects across the country.

The company focuses on developing solar energy rooftop systems that saves up to 30% of its energy spending while reducing carbon footprint and increasing grid reliability.

“FREE has multiple renewable energy projects in the pipeline with the end goal of promoting sustainable energy solutions to prospective industrial and commercial customers and supporting the Philippine government’s initiatives in reducing the country’s dependence on fossil fuels,” Filinvest Land said.

Filinvest Land is a full-range property developer, with over 200 residential developments across the country.

It is also developing two townships in the Clark Special Economic Zone, including an industrial and logistics park and mixed-use development at New Clark City and the Filinvest Mimosas+ Leisure City, which is in partnership with FDC.

At the stock exchange on Tuesday, Filinvest Land shares remained unchanged at P1.05 each. — **Luisa Maria Jacinta C. Jocsion**