

Philippine Stock Exchange index (PSEi)

6,236.76 ▲ 13.76 PTS. ▲ 0.22%

WEDNESDAY, JULY 27, 2022

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P600.00 ---	ACEN AC Energy Corp. P8.30 ---	AEV Aboitiz Equity Ventures, Inc. P55.00 +P1.80 +3.38%	AGI Alliance Global Group, Inc. P9.82 +P0.08 +0.82%	ALI Ayala Land, Inc. P24.40 +P0.60 +2.52%	AP Aboitiz Power Corp. P31.80 ---	BDO BDO Unibank, Inc. P117.00 +P3.00 +2.63%	BPI Bank of the Philippine Islands P87.00 +P0.50 +0.58%	CNVRG Converge ICT Solutions, Inc. P19.88 -P0.04 -0.20%	EMI Emperador, Inc. P18.84 -P0.06 -0.32%
GLO Globe Telecom, Inc. P2,100.00 -P28.00 -1.32%	GTCAP GT Capital Holdings, Inc. P468.00 -P2.00 -0.43%	ICT International Container Terminal Services, Inc. P185.00 +P0.80 +0.43%	JFC Jollibee Foods Corp. P203.80 -P2.40 -1.16%	JGS JG Summit Holdings, Inc. P52.95 +P0.45 +0.86%	LTG LT Group, Inc. P8.75 +P0.05 +0.57%	MBT Metropolitan Bank & Trust Co. P47.25 +P0.10 +0.21%	MEG Megaworld Corp. P2.25 -P0.01 -0.44%	MER Manila Electric Co. P366.00 +P8.00 +2.23%	MONDE Monde Nissin Corp. P14.50 +P0.36 +2.55%
MPI Metro Pacific Investments Corp. P3.70 ---	PGOLD Puregold Price Club, Inc. P29.70 -P0.25 -0.83%	RLC Robinsons Land Corp. P16.60 -P0.10 -0.60%	SECB Security Bank Corp. P90.00 -P0.30 -0.33%	SM SM Investments Corp. P780.00 -P10.00 -1.27%	SMC San Miguel Corp. P104.50 +P1.50 +1.46%	SMPH SM Prime Holdings, Inc. P36.15 -P0.70 -1.90%	TEL PLDT, Inc. P1,649.00 +P31.00 +1.92%	URC Universal Robina Corp. P110.00 -P3.90 -3.42%	WLCON Wilcon Depot, Inc. P23.75 +P0.40 +1.71%

Meralco seeks competing bids for 500-MW supply

MANILA Electric Co. (Meralco) has sought competitive offers for the supply of 500 megawatts (MW) of renewable energy (RE) for the electricity distributor's mid-merit requirement starting in 2026.

In a press release on Wednesday, Meralco has invited interested parties to challenge, via a competitive selection process (CSP), the offer of Ahunan Power, Inc. (API) for P4.0511 per kilowatt-hour (kWh) headline rate and leveled cost of electricity.

API's offer to supply renewable energy is exclusive of pumping or charging energy cost, for the 20-year contract that will start on Feb. 26, 2026.

Meralco's third-party bids and awards committee said bidders have until Aug. 10 to submit their expression of interest. A pre-bid conference is scheduled on Aug. 11.

API proposed to source the supply from its pumped storage hydroelectric power plant projects in Pakil, Laguna, and San Mateo-Antipolo, Rizal.

Under the approved terms of reference of the CSP, the supply can come from a single or a portfolio of power plants that must be located in Luzon or Visayas, as long as the minimum configuration is sufficient to meet the contract capacity.

Meralco also said that the guaranteed output should be solely contracted



PHILIPPINE STAR/MICHAEL VARGAS

to it, providing further that 100% of the contract capacity should be available for six to 12 hours daily covering the power utility's peak hours, for at least 84 hours a week.

The bid submission deadline is on Sept. 14, following the opening of pre-qualification document submissions on the same day.

This CSP round is in compliance with the Department of Energy's Renewable Portfolio Standards, or RPS

policy, and forms part of Meralco's efforts to source up to 1,500 MW of its power requirements from renewable energy sources.

The company's call for bid challengers comes days after Prime Infrastructure Capital, Inc. announced that it had been declared by Meralco as the original proponent to supply 500 MW.

"We look forward to the opportunity of further providing renewable energy sources that are reliable and sustain-

able," Prime Infra Chairman Enrique K. Razon, Jr. previously said.

Earlier this year, Meralco received an unsolicited proposal from Terra Solar Philippines, Inc. to supply 850 MW of mid-merit power. Mid-merit plants can adjust their output when energy demand peaks within the day.

Terra Solar is a unit Terra Renewables Holdings, Inc., the renewable energy subsidiary of Mr. Razon's infrastructure firm that partnered with Solar Philippines Power Project Holdings, Inc.

After the two rounds of failed CSPs due to the lack of challengers, Meralco started direct negotiations with the original proponent. The resulting power supply agreement from the negotiations will be submitted to the Energy Regulatory Commission for review and approval.

CSP is the mandated open and transparent manner in arriving at the least cost of electricity.

Meralco is the largest power distributor and the largest private sector utility in the Philippines. Its controlling stakeholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT, Inc. Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Ashley Erika O. Jose**

Manulife

Single Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Price		
	Current Week	July 26, 2022	Previous Week
Peso Secure Fund	1.650	1.650	1.650
Peso Diversified Value Fund	1.809	1.813	1.813
Peso Growth Fund	2.589	2.617	2.617
Peso Dynamic Allocation Fund	0.932	0.938	0.938
Peso Target Distribution Fund	0.750	0.752	0.752
Peso Cash Fund	1.017	1.017	1.017
Peso Wealth Optimizer 2026 Fund	0.878	0.883	0.883
Peso Wealth Optimizer 2031 Fund	0.825	0.832	0.832
Peso Wealth Optimizer 2036 Fund	0.802	0.811	0.811
Powerhouse Fund	0.788	0.778	0.778
Emperador Fund	0.786	0.797	0.797
USD Secure Fund	1.511	1.476	1.476
USD Asia Pacific Bond Fund	1.037	1.030	1.030
USD Global Target Income Fund	0.755	0.746	0.746
USD ASEAN Growth Fund	1.466	1.444	1.444
USD Asia Pacific Property Income Fund	0.851	0.836	0.836
PHP Asia Pacific Property Income Fund	0.892	0.881	0.881
PHP Tiger Growth Fund	0.711	0.727	0.727
USD Tiger Growth Fund	0.601	0.612	0.612
PHP Global Preferred Securities Income Fund	0.988	0.982	0.982
USD Global Preferred Securities Income Fund	0.837	0.828	0.828
PHP US Growth Fund	1.045	1.023	1.023
USD US Growth Fund	0.874	0.852	0.852
USD Global Health Fund	1.061	1.059	1.059
USD Global Health Fund	1.000	0.993	0.993
PHP Global Multi-Asset Income Fund	1.049	1.036	1.036
USD Global Multi-Asset Income Fund	0.980	0.984	0.984

Manulife

Dual Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Bid Price		
	Current Week	July 26, 2022	Previous Week
Peso Bond Fund	2.826	2.826	2.826
Peso Stable Fund	2.740	2.747	2.747
Peso Equity Fund	1.934	1.955	1.955
Peso Balanced Fund	0.954	0.960	0.960
Peso Target Income Fund	0.765	0.767	0.767
U.S. Dollar Bond Fund	2.160	2.109	2.109

Unit Offer Price

Fund	Unit Offer Price		
	Current Week	July 26, 2022	Previous Week
Peso Bond Fund	2.869	2.869	2.869
Peso Stable Fund	2.782	2.789	2.789
Peso Equity Fund	1.963	1.985	1.985
Peso Balanced Fund	0.969	0.975	0.975
Peso Target Income Fund	0.777	0.779	0.779
U.S. Dollar Bond Fund	2.193	2.141	2.141

Manulife China Bank

Single Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Price		
	Current Week	July 26, 2022	Previous Week
Peso Secure Fund	1.659	1.659	1.659
Peso Diversified Value Fund	1.781	1.784	1.784
Peso Growth Fund	2.525	2.551	2.551
Peso Dynamic Allocation Fund	0.926	0.935	0.935
Peso Target Distribution Fund	0.744	0.747	0.747
Peso Cash Fund	0.989	0.989	0.989
Peso Wealth Optimizer 2026 Fund	0.827	0.832	0.832
Peso Wealth Optimizer 2031 Fund	0.772	0.778	0.778
Peso Wealth Optimizer 2036 Fund	0.743	0.750	0.750
Powerhouse Fund	0.768	0.778	0.778
USD Secure Fund	1.486	1.452	1.452
USD Asia Pacific Bond Fund	1.014	1.005	1.005
USD Global Target Income Fund	0.760	0.751	0.751
USD ASEAN Growth Fund	1.445	1.423	1.423
Chinabank Dollar Fied Income VIL Fund	1.002	0.990	0.990
USD Asia Fied Fund	1.176	1.175	1.175
USD Asia Pacific Property Income Fund	0.853	0.836	0.836
PHP Asia Pacific Property Income Fund	0.904	0.892	0.892
PHP Tiger Growth Fund	0.719	0.735	0.735
USD Tiger Growth Fund	0.609	0.620	0.620
PHP Global Preferred Securities Income Fund	0.982	0.976	0.976
USD Global Preferred Securities Income Fund	0.841	0.832	0.832
PHP US Growth Fund	1.027	1.006	1.006
USD US Growth Fund	0.871	0.850	0.850
PHP Global Health Fund	1.070	1.067	1.067
USD Global Health Fund	1.003	0.996	0.996

Manulife China Bank

Dual Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Bid Price		
	Current Week	July 26, 2022	Previous Week
Peso Bond Fund	1.959	1.958	1.958
Peso Stable Fund	1.814	1.818	1.818
Peso Equity Fund	1.745	1.784	1.784
Peso Balanced Fund	0.942	0.948	0.948
Peso Target Income Fund	0.758	0.760	0.760
U.S. Dollar Bond Fund	1.554	1.519	1.519

Unit Offer Price

Fund	Unit Offer Price		
	Current Week	July 26, 2022	Previous Week
Peso Bond Fund	1.989	1.988	1.988
Peso Stable Fund	1.842	1.846	1.846
Peso Equity Fund	1.772	1.791	1.791
Peso Balanced Fund	0.956	0.962	0.962
Peso Target Income Fund	0.770	0.772	0.772
U.S. Dollar Bond Fund	1.578	1.542	1.542

Citicore REIT's profit jumps to P301 million

CITICORE Energy REIT Corp. (CREIT) on Wednesday reported a net income of P300.84 million for the second quarter of the year, more than four times higher than the P65.68 million posted in the same period last year.

In a disclosure to the stock exchange, CREIT said its year-to-date net income hit P601.14 million, or more than six times higher compared with the P89.2 million registered a year ago.

The profit surge comes as the company's gross revenues rose to P331.79 million for the second quarter, compared to P72.5 million a year earlier.

Year to date, CREIT posted gross revenues of P663.58 million, which mainly consisted of lease income from the guaranteed base lease from various solar plant companies.

Earnings before interest, taxes, depreciation and amortization (EBITDA) grew to P643 million with a margin of 97%.

CREIT also declared a cash dividend of P0.044 per share for the second quarter, payable on Sept. 14 to shareholders on record as of Aug. 19.

The amount represents 107% of the distributable income for the second quarter, which also indicated an annual yield of 7.33%, excluding special dividends based on the July 20 closing price of P2.38 per share.

Oliver Y. Tan, CREIT president and chief executive officer, said in a press release that as the country's first publicly listed renewable energy REIT, "we are now seeing the recurring rental revenue stream from our green asset portfolio."

He added that as detailed in the company's REIT plan, it is committed to paying "a steady dividend stream, with strong upside potential" from new asset infusion from its sponsor company.

On Wednesday, CREIT shares slipped by 0.81% or two centavos to close at P2.44 apiece. — **Ashley Erika O. Jose**

AboitizPower net income up 79% to P7 billion in Q2

ABOITIZ Power Corp. reported a consolidated net income of P7.1 billion for the second quarter of the year, 79% higher than the figure recorded in the same period last year.

In a stock exchange disclosure, AboitizPower booked non-recurring gains of P861 million during the April-June period for subsidiary Therma Luzon, Inc.'s hedge and the appreciation of the US dollar, while recording P34 million in non-recurring gains.

Excluding the one-off gains, the company's core net income for the quarter was P6.1 billion, 59% higher than in the same period last year.

Year to date, AboitizPower recorded a net income of P10 billion, 2% lower than the profit posted in the same six months last year.

"We have seen an increase in peak demand in the Luzon and Visayas grids during the first half of 2022, exceeding levels from the past three years, including 2019, which was a pre-pandemic year," said Emmanuel V. Rubio, AboitizPower president and chief executive officer, in a press release.

"AboitizPower continues to ensure that our generation plants run opti-

mally and that our incoming capacities are ready to support our customers' energy needs," he added.

Mr. Rubio also said that the company remains optimistic it will be able to maintain a high plant availability performance amid increasing economic activity.

"AboitizPower remains firm in our mission of providing energy supply that is reliable, affordable, and sustainable while empowering the nation towards a better future," he said.

For the first half of 2022, the company's generation and retail supply recorded a 13% increase in earnings before interest, taxes, depreciation, and amortization (EBITDA) to P23.1 billion.

The company attributed the rise to fresh contributions from units 1 and 2 of GNPowder Dinginin Ltd. Co.

Meanwhile, electricity sold during the period increased by 17% to 13,762 gigawatt-hours (GWh) from 11,790 GWh in the same stretch last year.

On Wednesday, shares in AboitizPower finished unchanged at P31.80 each on the stock market. — **Ashley Erika O. Jose**

CTA affirms canceled tax assessment on Ferrari dealer

THE Court of Tax Appeals (CTA) affirmed the cancellation of the tax assessment on Autostrada Motore, Inc. worth P341.37 million inclusive of penalties and interest for the fiscal years 2011 to 2013.

In a 15-page decision on July 21 and made public on July 26, the CTA full court said it did not have jurisdiction over the case since the commissioner of internal revenue's (CIR) motion was filed late.

"Due to this procedural lapse, the amended decision has attained finality insofar as the CIR is concerned," CTA Associate Justice Maria Rowena Modesto-San Pedro said in the ruling.

"The CIR, therefore, may no longer question the merits of the case before this Court."

The tribunal noted that even if the motion was timely filed, the revenue officers who conducted the audit of the company's books of accounting were not authorized through a valid letter of authority (LoA).

The company is the official dealer of Ferrari cars in the Philippines. Its main office is located in Taguig City.

CIR, the petitioner, argued that an LoA was unnecessary to conduct the assessment since the audit was done by his office.

The audit was authorized through a mission order issued by the Bureau of Internal Revenue's assistant commissioner for large taxpayers service.

The tax court disagreed as it pointed out that an LoA is essential to conduct a tax audit since this is part of a taxpayer's right to due process.

Under the country's revenue code, a mission allows revenue officers to conduct surveillance of a taxpayer's business operation and to verify specific documents to see if a taxpayer complied with tax laws and regulations.

The CTA noted that even the mission order only grants the revenue officers

the authority to observe and verify the company's books of accounting.

It added that the tax assessments were "void and bear no valid fruit and must be slain at sight" since it did not afford the company its right to due process.

"It (LoA) is a jurisdictional requirement of a valid audit and therefore a valid assessment," said the CTA.

"There has to be a link between the LoA and the revenue officer who will conduct an examination of the taxpayers books of accounts and accounting records." — **John Victor D. Ordoñez**