

Philippine Stock Exchange index (PSEi)

6,576.94 ▲ 56.14 PTS. ▲ 0.86%

THURSDAY, DECEMBER 22, 2022  
BusinessWorld

PSEI MEMBER STOCKS

<b>AC</b> Ayala Corp. P712.00 +P13.00 +1.86%	<b>ACEN</b> ACEN Corp. P7.55 +P0.07 +0.94%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P57.00 +P0.50 +0.88%	<b>AGI</b> Alliance Global Group, Inc. P11.88 +P0.48 +4.21%	<b>ALI</b> Ayala Land, Inc. P29.90 ---	<b>AP</b> Aboitiz Power Corp. P33.45 -P0.45 -1.33%	<b>BDO</b> BDO Unibank, Inc. P108.00 -P1.00 -0.92%	<b>BPI</b> Bank of the Philippine Islands P100.00 -P0.50 -0.50%	<b>CNVRG</b> Converge ICT Solutions, Inc. P14.00 +P0.52 +3.86%	<b>EMI</b> Emperador, Inc. P20.65 ---
<b>GLO</b> Globe Telecom, Inc. P2,198.00 -P12.00 -0.54%	<b>GTCAP</b> GT Capital Holdings, Inc. P430.00 +P15.00 +3.61%	<b>ICT</b> International Container Terminal Services, Inc. P198.00 +P2.10 +1.07%	<b>JFC</b> Jollibee Foods Corp. P230.20 +P0.20 +0.09%	<b>JGS</b> JG Summit Holdings, Inc. P50.00 +P0.70 +1.42%	<b>LTG</b> LT Group, Inc. P9.09 +P0.04 +0.44%	<b>MBT</b> Metropolitan Bank & Trust Co. P56.30 +P0.50 +0.90%	<b>MEG</b> Megaworld Corp. P2.13 +P0.02 +0.95%	<b>MER</b> Manila Electric Co. P287.00 -P2.00 -0.69%	<b>MONDE</b> Monde Nissin Corp. P11.30 +P0.24 +2.17%
<b>MPI</b> Metro Pacific Investments Corp. P3.47 ---	<b>PGOLD</b> Puregold Price Club, Inc. P34.00 ---	<b>RLC</b> Robinsons Land Corp. P15.10 +P0.10 +0.67%	<b>SCC</b> Semirara Mining and Power Corp. P35.15 +P0.25 +0.72%	<b>SM</b> SM Investments Corp. P926.00 +P17.00 +1.87%	<b>SMC</b> San Miguel Corp. P94.95 +P0.55 +0.58%	<b>SMPH</b> SM Prime Holdings, Inc. P35.45 +P0.45 +1.29%	<b>TEL</b> PLDT, Inc. P1,249.00 -P1.00 -0.08%	<b>URC</b> Universal Robina Corp. P137.40 +P2.30 +1.70%	<b>WLCON</b> Wilcon Depot, Inc. P30.00 +P0.40 +1.35%

# Deny halt order on power supply deal, court asked

THE energy regulator and Manila Electric Co. (Meralco) separately asked the appellate court to deny a halt order and writ of preliminary injunction sought by San Miguel Energy Corp. (SMC) in relation to its power supply deal with the electricity distributor.

"We filed a motion yesterday (Wednesday) through OSG (Office of the Solicitor General), separately with Meralco, in opposition to the issuance of a TRO (temporary restraining order) and opposition to the consolidation of the case," Energy Regulatory Commission (ERC) Chairperson and Chief Executive Officer Monalisa C. Dimalanta told reporters on Thursday.

She made the statement on the sidelines of a press briefing facilitated by consumer group Kuryente.Org.

Ms. Dimalanta said SMC Global Power Holdings Corp. sought

to consolidate the case of its unit SMEC weeks after it sought and secured a TRO from the Court of Appeals (CA) against another power supply agreement (PSA) forged by Meralco — with South Premiere Power Corp. (SPPC).

SPPC, the administrator of the natural gas-fired power plant in Ilijan, Batangas, is also a unit of SMC Global Power, the power arm of San Miguel Corp. (SMC).

"They asked the division of CA to consolidate the case — the TRO issued in favor of SPPC. We are preventing that from happening," Ms. Dimalanta said.

"Basically, if the CA approves [the consolidated case]... the TRO will also cover SMEC," she said.

Separately, Meralco said in a statement on Thursday that it had formally asked the appellate court to deny the TRO and writ of preliminary injunction filed by SMEC.

The power distributor said in its motion dated Dec. 21 that the issuance of an injunction will result in the termination of SMEC's power supply deal with Meralco, which covers 330 megawatts (MW) of baseload supply.

"With due respect, the possible grant of the TRO or writ of preliminary injunction will lead to Petitioner SMEC's cessation in supplying electricity to Meralco, which it is obligated to do pursuant to the terms and conditions of the PSA," Meralco said.

Meralco said Republic Act No. 9136 or the Electric Power Industry Reform Act of 2001 (EPIRA) states that the power supply sector, which includes SMEC, is a business affected by public interest.

It said that allowing the property rights in favor of SMEC over the public welfare is a disservice

to the public and would be a "travesty of the policies enshrined under EPIRA."

In its motion, Meralco said the grant of a TRO and writ of preliminary injunction would reverse the status quo instead of preserving it. It added that the grant of injunctive relief would only make the case "moot and academic."

Meralco also said that the issuances sought by SMEC are improper remedies for the case, and granting these will only cause "prejudice to consumers."

The Meralco-SMEC supply deal covers a period of 10 years at P4.53 per kWh per kilowatt-hour (kWh). SMEC is the administrator of the coal power plant in Sual, Pangasinan.

On Monday, Meralco also asked the CA to lift the TRO issued in favor of SPPC.

In November, the CA granted a TRO in favor of SMC Global Power, which eventually led to the cessation of the PSA between SPPC and Meralco. The supply deal covers 670 MW of capacity for 10 years.

SPPC stopped supplying power to Meralco starting on Dec. 7 after the issuance of the TRO, which came after the ERC junked its petition for a temporary rate increase.

Meralco has been sourcing power from the Wholesale Electricity Spot Market (WESM), which typically costs more and is volatile. It has then asked SPPC to pay the added cost incurred for sourcing power from WESM.

In a statement on Dec. 15, Meralco said that it had secured a 300-MW emergency PSA with Aboitiz Power Corp. but only until Jan. 25.

SMC Global Power sought a temporary rate increase, jointly filed with Meralco, saying that SPPC and SMEC incurred a combined loss of P15 billion. The rate increase was meant to recover part or P5 billion of the units' losses.

The company cited a "change in circumstance" when surging fuel costs breached the price range contemplated during the execution of the contracts with Meralco. However, the ERC denied the petition, saying it had no basis as their PSA is a fixed-rate contract.

Meralco's controlling stakeholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT Inc. Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary Media-Quest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Ashley Erika O. Jose**

## PLDT's Chua not involved in trading probe over telco

A DIRECTOR of the Philippine Stock Exchange (PSE) who is also an official of PLDT Inc. will not be involved in deciding the outcome of the bourse's probe of the trading of shares in the telecommunications company.

"Ms. [Anabelle L.] Chua is one of the 15 [PSE] directors. And Ms. Chua is a very righteous and forthright person; she will not get involved in this case," PSE President and Chief Executive

Officer Ramon S. Monzon said in an interview with *BusinessWorld*.

Ms. Chua is the senior vice president, chief financial officer and chief risk management officer of PLDT. She is also a member of the PSE's board of directors.

"I know her, she will excuse herself if anything is brought to the board or voted on by the board," he added.

PSE is currently investigating the issues that have risen from PLDT's budget overrun and shares sell-off

alongside Capital Markets Integrity Corp. (CMIC) and the Securities and Exchange Commission.

According to Mr. Monzon, there shouldn't be a question on the PSE's investigation as the entity that is doing the investigation of the trading of PLDT shares is CMIC.

"Number one, the actual entity or organization doing the investigation of the

trading of shares is CMIC. It is totally independent from the PSE. [It has a] separate set of directors, [and a] separate set of management," Mr. Monzon said.

"But we are also doing our own investigation on the adequacy and timelines of the disclosure. And that's being done by the management," he added. — **Justine Irish D. Tabile**

FULL STORY



Read the full story by scanning the QR code or by typing the link <a href="https://bit.ly/3HTVaRu">https://bit.ly/3HTVaRu</a>

## Emperador brandy sales in North America up 28%

EMPERADOR Inc. saw a 28% increase in the sales of its brandy products in North America amid increased distribution, visibility and availability globally especially in the US and Canada.

"This is in line with our relentless efforts of globalization while making Emperador Brandy a household name in other parts of the world," Emperador International Chief Executive Officer Glenn D. Manlapaz said in a press release on Thursday.

"After performing well this year, we expect Emperador Brandy sales in North America to be even stronger in 2023," he added.

To date, the firm's brandy products are available at various off-premises establishments across the US and Canada.

One of its brandy products, Emperador Light, is available in the 229 outlets of Albertsons, which is a supermarket chain in North America.

Emperador Light, Solera, Gold Limited Edition, Red, and Hot Shot

are available in the stores of Seafood City, a supermarket chain with branches in California, Hawaii, Illinois, Nevada and Washington.

The five brands are also available in the 10 stores of a Taiwanese American supermarket based in Buena Park, California called 99 Ranch Market.

The brands except Emperador Red are available in the 89 outlets of Total Wine & More across Florida, Georgia, Nevada, Texas and California, while Red is available in the 76 stores and online shop of BevMo!

Emperador is a global spirits conglomerate focused on brandy and whisky. It owns Whyte and Mackay and other brands including Fundador Brandy, The Dalmore, Jura, and Tamnavulin single malt Scotch whiskies. Its products are available in more than 100 countries.

The company is listed on the Philippine Stock Exchange and Singapore Securities Exchange. — **Justine Irish D. Tabile**

## MPIC unit, Israel's LR Group invest P2B in dairy business

METRO Pacific Investment Corp. (MPIC) announced on Thursday that its new unit, Metro Pacific Agro Ventures (MPAV), and Israel's LR Group are investing P2 billion for the expansion of its existing dairy business.

"We are now talking to banks," MPAV President Jovy I. Hernandez said during the groundbreaking of the company's facility in Bay, Laguna.

They aim to annually produce at least six million liters of milk.

"The construction of the facility will start in 2023 and take approximately two years to finish. Operations are estimated to commence by late 2025 to early 2026," MPAV said.

With MPAV's establishment of Metro Pacific Dairy Farms in cooperation with the LR Group, the Province of Laguna, the University of the Philippines-Los Baños, the Department of Trade and Industry, and the National Dairy Authority, "a better, fresher Philippine dairy industry will be made possible," it added.

LR Group offers tailor-made solutions based on its hosting partners' needs and resources. It focuses on sectors ranging

from construction and renewable energy to communication and water treatment.

MPAV was set up by MPIC to be the arm that will drive all agricultural endeavors and the ambition to develop the food sufficiency of the Philippines' agricultural sector, starting with the growth of Philippine dairy as an industry, according to the company.

MPIC started its foray into the dairy business by partnering with Carmen's Best Group.

MPAV noted that the Philippines imports a little over 2.8 million metric tons or 99% of its milk and milk by products due to poor feed and management practices, high production costs, and the lack of adequate dairy infrastructure.

"MPAV's mission to expand dairy farming allows over 10,000 Filipino farmers to have a better livelihood. Beyond that, the conglomerate can also help the Philippines become a more self-sufficient dairy-producing nation," the company said.

"This will lead MPAV closer to its vision of a healthier Philippines thanks to nutritious, fresh, and locally produced dairy and other milk derivatives." — **Arjay L. Balinbin**

## SEC files criminal complaint against four lending companies

THE Securities and Exchange Commission (SEC) brought four lending companies before the Department of Justice (DoJ) for criminal prosecution for operating unregistered online lending platforms (OLPs).

In a press release, the regulator's Enforcement and Investor Protection Department (EIPD) filed on Dec. 20 a criminal complaint against Suncash Lending Investors Corp., UCash Lending Investors Corp., Suncredit.ph Finance Corp., and ECredit Finance, Inc.

It cited the entities' violation of Republic Act No. 9474 or the Lending Company Regulation Act (LCRA) and Republic Act No. 8556 or the Financing Company Act (FCA).

The complaint identified the entities' president and beneficial owner Qi Lu and director Zhu Junfeng. It also implicated the companies' incorporators, directors and officials.

The other officials cited were identified as Chang Yuting, Joyclyn V. Pelayo, Chang Tao, Bryan Dordas Pelayo, Jasmin Tabjan Vianzon, Jayson Lee, Meng Jie, Xiaofang Song, Danilo

Felicilda, Roger Publico, Yaping Liu, Xianming Tian, Shiling Xu, Xiaobo Pan, Sheila Pagkalinawan, and Xiaojing Luo.

As part of the SEC's crackdown against unregistered lenders, it previously implemented a warrant to search, seize, and examine computers against Suncash.

The move was together with the Philippine National Police Anti-Cybercrime Group, Eastern District Anti-Cybercrime Team, Manila Police District, and the Special Weapons and Tactics Philippines. — **Justine Irish D. Tabile**

FULL STORY



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