

# ERC grants Meralco-PEDC move to end supply deal

THE energy regulator has granted the joint move by Manila Electric Co. (Meralco) and Panay Energy Development Corp. (PEDC) to terminate their power supply deal.

In a media release on Thursday, the Energy Regulatory Commission (ERC) said it had granted the joint motion for contract ter-

mination filed by the companies on June 23, 2022, citing PEDC's inability to meet its contractual obligations because of the losses it incurred.

The regulator made the decision on March 8, 2023 and released it on Aug. 29, 2023 via a vote of 3-2, with ERC Chairperson and Chief Executive

Officer Monalisa C. Dimalanta issuing a separate opinion and Commissioner Catherine P. Maceda issuing a dissenting opinion.

Meralco and PEDC cited the "change in circumstance" provisions in their power supply agreement (PSA) as the reason for the termination.

In granting the termination motion, the regulator said the majority of the commissioners found that there was a basis to terminate the PSA as mutually agreed by the parties.

It said Meralco and PEDC stipulated in their PSA that they had the option to terminate at the instance of a

"change in circumstance," as in this case.

The termination motion followed the parties' joint motion for contract price adjustment filed on Jan. 20, 2022, citing the "change in circumstance" provisions in their PSA.

The companies argued that the significant increase in the global

cost of coal or fuel prices for 2022 had led to PEDC suffering losses amounting to about P962.24 million as of September 2022.

## FULL STORY

Read the full story by scanning the QR code with your smartphone or by typing the link <tinyurl.com/mve9wr6>



(Topping Off of ASCOTT-DD Meridian Park building conducted by DoubleDragon, Asya Design, Megawide, and DCI today, August 22, 2023)



On August 22, 2023, DoubleDragon's subsidiary conducts Topping Off of ASCOTT at DD Meridian Park as the building structure and topmost floor of the project has been completed.

ASCOTT-DD Meridian Park with over 300 luxury serviced residences located right behind DoubleDragon Plaza is expected to be operational and begin to generate recurring revenues by 2024.

The premium luxury development ASCOTT-DD Meridian Park will complete and further enhance the mix of the whole complex as it is positioned to be the Mini-CBD (Central Business District) in the Bay Area of Pasay City, Metro Manila. The Ascott Limited is a subsidiary of Singapore based property company Capital Land, which has operations worldwide will operate and manage Ascott-DD Meridian Park.



DoubleDragon Plaza at DD Meridian Park is positioned as a mini central business district (CBD) in the Bay area given its prime landmark double corner location of EDSA, Roxas Boulevard and Macapagal Avenue in the Bay Area, Pasay City, Metro Manila.

DoubleDragon Plaza is LEED Gold certified and currently houses two government agency headquarters namely PEZA (Philippine Economic Zone Authority) and TIEZA (Tourism Infrastructure Economic Zone Authority) and expects to soon welcome an additional third government agency to relocate their headquarters in the complex, in addition to many private corporate head offices in the complex.

DoubleDragon Plaza at DD Meridian Park as a complex brings undeniable advantage to a variety of office tenants whether corporations, government agencies or BPO companies, given its very prime landmark location with various top food chain brands in the Ground Floor such as Jollibee, Mang Inasal and many others. DD Meridian Park is like a mini-CBD in the Bay Area being the only complex in the area that has 8 commercial banks (Landbank, RCBC, PNB, BPI, AUB, Unionbank, Chinabank, and BDO) making it uniquely convenient for office tenants to complete their banking transactions all within their proximity. These dining and banking options are further complemented by a full-sized supermarket, MerryMart Grocery, located at the Ground Floor of DoubleDragon Plaza. The complex also houses thousands of parking slots, with a separate conveniently located large parking area at the basement solely dedicated for outside customers who visit DD Meridian Park either for business meetings or leisure. DoubleDragon Plaza is located in a landmark double corner location, just 10-15 minutes drive to NAIA airport via NAIAX, a few minutes drive to the top 3 convention centers in the Philippines (PICC, SMX and World Trade Center), and not too far from other CBDs in Metro Manila.

The 5-hectare DoubleDragon Meridian Park complex is expected to be fully developed by 2024 and to become a fully mature prime hard asset portfolio, generating optimum level of recurring revenues by 2025.

## Board diversity can boost listed companies' competitiveness – ICD

DIVERSITY in the boards of Philippine listed companies could help increase competitiveness and responsiveness against economic headwinds, a study by nonprofit organization Institute of Corporate Directors (ICD) said.

In a statement on Thursday, the ICD said its study showed that board diversity elicits varied perspectives for better decision-making, especially during challenges.

The institute's 2022 study examined active publicly listed companies registered with the Securities and Exchange Commission from 2019 to 2021. The study sought to determine if there are relationships between board attributes and company performance in terms of return on equity (RoE).

The study's findings were presented during a hybrid event at Discovery Primea in Makati on Aug. 15.

"As business trends and demands continuously evolve over time, newer board directors might have just as much expertise to offer as their

longer-serving counterparts. Relatively fresh and dynamic beliefs and principles held by the newer ones can also help in improving return on equity RoE as the traditional ones long-held by the more senior," ICD Board Diversity and Inclusion Committee Outgoing Chair Helen T. de Guzman said.

Another key finding of the ICD study was that companies with women directors outperformed companies purely held by male directors.

"At the end of the day, diversity just for diversity's sake is not enough. Boards should also look into and prioritize inclusion," ICD Vice-Chair and President Boots Geotina-Garcia said.

The ICD study showed that RoE can be influenced by the seniority in the age of board directors.

In terms of expertise, the study said companies with non-executive directors and directors who are experts in business management and finance performed better than their counterparts.

"Based on statistical tests done, age and average RoE are significantly and directly related. This means that as average ages go up, RoE tends to go up too," the ICD said.

Meanwhile, ICD Board Diversity and Inclusion Committee Incoming Chair Monette Iturralde-Hamlin said that more dimensions and metrics will be included in future versions of the study.

"In continuing the Philippine study, we will be looking at adding more dimensions as well as other metrics to measure company performance to better understand the correlation of diversity and inclusion on a business' success," Ms. Iturralde-Hamlin said.

The ICD is a nonprofit organization consisting of corporate directors and other stakeholders engaged in corporate governance. The group offers corporate governance learning solutions for board members and senior executives. — **Revin Mikhael D. Ochave**

## ACEN unit and Indon firm agree to develop RE projects in Indonesia

A SUBSIDIARY of Ayala-led ACEN Corp. and a member of Puri Usaha Group have agreed to develop renewable energy (RE) projects in Indonesia via a joint venture company.

In a stock exchange disclosure on Thursday, ACEN said its unit ACEN Indonesia Investment Holdings, Pte. Ltd. and PT Trisuya Mitra Bersama entered into an investment agreement and shareholders' agreement for PT Puri Prakarsa Batam, the joint venture firm, on Wednesday.

In its media release in May last year, ACEN said the renewable energy projects

would focus on large-scale solar power plants, battery energy storage system, and green hydrogen projects.

According to the release, the joint venture entity involves Suryagen Group — where PT Puri Prakarsa Batam is part of — and covers the Batam, Bintan, and Karimun islands, as well as East Tenggara province.

The projects to be built in Indonesia are intended to export power to Singapore via subsea cable, which is the Suryagen platform's first project that it sought to develop.

To date, ACEN has around 4,200 megawatts of attribut-

able capacity spread across the Philippines, Vietnam, Indonesia, India, and Australia. The company is targeting to reach 20 gigawatts in attributable renewables capacity by 2030.

For the second quarter, ACEN reported an attributable net income of P2.21 billion, up 23.5% from P1.79 billion previously.

Revenues rose by 32.2% to P11.33 billion while expenses also increased by 43.6% to P10.24 billion.

On Thursday, shares in the company declined by 2.34% or P0.12 to P5.01 each. — **Sheldeen Joy Talavera**

## Phinma Education triples net income in first half

THE educational unit of Phinma Corp. has tripled its net income for the first half of the year on the back of higher enrollment figures.

In a statement on Thursday, Phinma Education Holdings, Inc. said its consolidated net income tripled to P307.47 million versus P96.88 million a year ago.

"Increase in costs and operating expenses to support the increase in enrollment and face-to-face classes were offset by lower credit loss provisions as a result of higher collection efficiencies," the company said.

According to Phinma Education, it logged a 30% increase in second-semester enrollment compared with the same period last year.

"This resulted in a 52% year-on-year growth in revenues for the first half of 2023," the company said.

The company recently opened Phinma Cagayan de Oro College Iligan campus, Phinma Araullo University San Jose Campus in Nueva Ecija, and a new dentistry building at Southeastern



University Phinma, Cebu City.

It also finished renovations in Phinma Saint Jude College Quezon City, Phinma Rizal College of Laguna, and Horizon Karawang in West Java, Indonesia, while another new building is underway at Phinma University of Pangasinan.

Phinma Education has 10 schools with more than 124,000 students. The company claims to have a 79.06% passing rate for first-time takers across various licensure exams, while 71% of graduates are employed within one year after graduation.

"This year is a convergence of our model continuing to show promise, the growing need for the services we provide, and our business doing well on all aspects. We hope to be able to reach more and more underserved students who need quality education the most, so that they can uplift themselves, their families, and communities," Phinma Education President and Chief Executive Officer Chito B. Salazar said.

Shares of Phinma Corp., the parent firm of Phinma Education, were last traded on Aug. 30 when they finished at P20.30 apiece. — **Revin Mikhael D. Ochave**