

Philippine Stock Exchange index (PSEi)

6,520.75 ▼ 0.52 PTS. ▼ 0%

PSEI MEMBER STOCKS

| | | | | | | | | | |
|--|--|---|--|---|--|---|--|--|--|
| AC Ayala Corp. P722.00 +P7.00 +0.98% | ACEN ACEN Corp. P4.03 -P0.17 -4.05% | AEV Aboitiz Equity Ventures, Inc. P49.20 +P0.10 +0.2% | AGI Alliance Global Group, Inc. P10.08 -P0.02 -0.2% | ALI Ayala Land, Inc. P34.00 -P0.35 -1.02% | BDO BDO Unibank, Inc. P129.00 -P2.00 -1.53% | BLOOM Bloomerry Resorts Corp. P9.90 +P0.05 +0.51% | BPI Bank of the Philippine Islands P103.30 -P0.70 -0.67% | CNPF Century Pacific Food, Inc. P31.60 +P0.05 +0.16% | CNVRG Converge ICT Solutions, Inc. P7.84 +P0.04 +0.51% |
| DMC DMCI Holdings, Inc. P9.28 -P0.07 -0.75% | EMI Emperador, Inc. P20.70 +P0.05 +0.24% | GLO Globe Telecom, Inc. P1,718.00 -P12.00 -0.69% | GTCAP GT Capital Holdings, Inc. P579.00 +P14.00 +2.48% | ICT International Container Terminal Services, Inc. P243.20 -P2.80 -1.14% | JFC Jollibee Foods Corp. P242.00 -P5.80 -2.34% | JGS JG Summit Holdings, Inc. P42.00 +P0.55 +1.33% | LTG LT Group, Inc. P8.88 +P0.11 +1.25% | MBT Metropolitan Bank & Trust Co. P51.30 +P0.35 +0.69% | MER Manila Electric Co. P389.00 +P6.00 +1.57% |
| MONDE Monde Nissin Corp. P7.95 +P0.10 +1.27% | NIKL Nickel Asia Corp. P5.10 +P0.06 +1.19% | PGOLD Puregold Price Club, Inc. P27.00 +P0.55 +2.08% | SCC Semirara Mining and Power Corp. P28.35 +P0.20 +0.71% | SM SM Investments Corp. P904.50 +P1.00 +0.11% | SMC San Miguel Corp. P113.70 +P3.60 +3.27% | SMPH SM Prime Holdings, Inc. P34.00 +P0.10 +0.29% | TEL PLDT Inc. P1,300.00 +P15.00 +1.17% | URC Universal Robina Corp. P117.00 -P1.00 -0.85% | WLCON Wilcon Depot, Inc. P22.00 +P1.85 +9.18% |

MPAV finalizes deal to own 34.76% stake in Axelum

Some payments tied to profitability goals

METRO PACIFIC Agro Ventures (MPAV), a subsidiary of Metro Pacific Investments Corp. (MPIC), has finalized a deal to acquire a 34.76% stake in Axelum Resources Corp., a food manufacturing company that exports coconut products, with some payments contingent on achieving specific financial goals.

The agreement, initially announced in February, is seen to fortify the Metro Pacific group's foothold in the Philippine agriculture industry.

In a regulatory filing on Wednesday, Axelum said that both companies agreed to extend the settlement of MPAV's P5.32-

billion subscription agreement until January 15, 2024.

In February, MPIC announced that it was acquiring a 34.76% stake in Axelum for P5.32 billion through its subsidiary MPAV, mainly to strengthen its presence in the local agriculture industry.

MPAV planned to acquire 1.19 billion common shares and 200 million redeemable preferred shares in Axelum.

While the total highest consideration for the transactions remains at approximately P5.32 billion or P3.83 per share, the basis for payment has undergone changes, MPIC parent company

First Pacific Co. Ltd. said in a statement on Monday.

The payment structure now involves installments, with an initial payment of P3.37 billion due on or around Dec. 22.

Additional payments are contingent upon the "achievement of certain EBITDA (earnings before interest, taxes, depreciation, and amortization) milestones up to the original purchase price under the original SPA (sale purchase agreement)," First Pacific said.

First Pacific noted that these amendments resulted from "arms' length negotiations," emphasizing the parties' com-

mitment to a transparent and equitable agreement.

The company added that "for the avoidance of doubt," a payment of P500 million will be issued for the redeemable preferred shares of Axelum on or around Dec. 22.

Axelum Resources Corp. expressed optimism for the partnership, emphasizing a shared vision to modernize the local coconut industry.

"This partnership is built on a shared vision and profound commitment to spearhead initiatives that will modernize our local coconut industry. We aim to achieve this by leveraging our joint ex-

pertise, network and resources," said Axelum Chairman and Chief Executive Officer Romeo I. Chan.

For his part, MPIC President and Chief Executive Officer Manuel V. Pangilinan said: "Axelum's expertise in the coconut industry, combined with MPAV's ambition for Philippine agriculture, position us to make lasting contributions to the nation."

"We look forward to promoting sustainability and competitiveness in the country's agricultural sector," he added.

In terms of financial performance, Axelum recently reported a net loss of P428 million for the nine months ending in Septem-

ber, a reversal from the P717.28-million net income recorded in the same period the previous year.

The company's top line also saw a 19% decline, dropping from P5.31 billion to P4.28 billion.

Axelum shares closed 3% higher at P2.40 apiece on Wednesday.

MPIC is one of three key Philippine units of First Pacific, the others being Philex Mining Corp. and PLDT Inc.

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. — **Adrian H. Halili**

Manila Water inks P7-B loan deal with LANDBANK

MANILA Water Co., Inc. has signed a 10-year term loan facility worth P7 billion with state-run Land Bank of the Philippines (LANDBANK) to fund its projects, the listed company announced on Wednesday.

"The loan will be used to partially finance Manila Water's capital expenditure (capex) projects," the east zone concessionaire told the local bourse.

The loan will be used to finance the projects under the approved rate rebasing for 2023, the company said.

Of the capex spending of P11.28 billion as of October, approximately P3.63 billion was allocated for service accessibility, P3.53 billion for water security, P2.73 billion for environmental sustainability, and P1.39 billion for service continuity.

In February, Manila Water also signed a term loan facility worth P3 billion with LANDBANK, intended to be used to fund its general corporate requirements and capex.

The company announced last week that it would implement the second tranche of the rate rebasing adjustments, as approved by the Metropolitan Waterworks and Sewerage System (MWSS).

MWSS approved an increase of P6.41 per cubic meter for Manila Water and a hike of P7.87 per cubic meter for Maynilad Water Services, Inc.

The rates will take effect on Jan. 1, 2024.

Manila Water customers in the east zone who consume 10 cubic meters will pay P34.13 more every month, while those consuming 20 cubic meters and 30 cubic meters will see their monthly bills go up by P76.68 and P187.01, respectively. Low-income customers consuming less than 10 cubic meters will pay P2.96 more every month.

The water company is currently seeking approval for the extension of its revised concession agreement with the MWSS from 2037 to 2047 to coincide with its 25-year legislative franchise.

In line with the extension application, Manila Water has committed to allocate P1.15 trillion for investments, primarily to ensure the continuous provision of water and wastewater services to its customers.

Manila Water serves the east zone network of Metro Manila, covering parts of Marikina, Pasig, Makati, Taguig, Pateros, Mandaluyong, San Juan, portions of Quezon City and Manila, and several towns in Rizal province.

At the local bourse on Wednesday, shares in the company went down by P0.14 or 0.76% to close at P18.36 apiece. — **Sheldeen Joy Talavera**

Meralco Electric adjusts terms for 1,800-MW procurement

MANILA Electric Co. (Meralco) said it has amended the terms for bidding on the 1,800-megawatt (MW) capacity procurement.

In a media briefing on Tuesday, Jose Ronald V. Valles, Meralco's first vice-president and head of its regulatory management, said that this aligns with the recommendation of Energy Regulatory Commission (ERC) Chairperson Monalisa C. Dimalanta.

"Under the ToR (terms of reference), any bidder can offer a maximum of 1,800 megawatts, so she recommended to cap it to a certain level," he said.

In response to the recommendation, Meralco decided to set a maximum offer of 1,200 MW and a minimum of 150 MW for the bidding process, Mr. Valles said.

With the recommended offer, at least two bidders may win in the competitive selection process (CSP), he noted.

The CSP requires contracts between power generation companies and distribution utilities to undergo price challenges, a process aimed at lowering electricity costs.

Meralco sought the guidance of the ERC to proceed with the opening bid next week.

"As of now tuloy, but we have written the ERC chair, that because there are recommendations and that we have already incorporated to the TOR, we're seeking guidance if we can proceed with

the bid opening on Dec. 27," Mr. Valles said.

The CSP aims to find new suppliers for the electricity that were supposed to be supplied by Excellent Energy Resources, Inc. (EERI) and Masinloc Power Partners Co. Ltd. (MPPCL) — two subsidiaries under San Miguel Power Global Holdings Corp. (SMPGH).

Their contracts with Meralco were "terminated earlier this year," the company said. The ERC approved the termination after their power supply agreement application went beyond the date by which it should have been approved by the regulator.

The two companies under PLDT Beneficial Trust Fund subsidiary Meralco's needed capacity by 2024 and 2025 after securing the supply contracts in 2021.

Six entities have expressed interest in participating in the bidding, which are: GNPowder Dinginin Ltd. Co., First Nat-Gas Power Corp., SP New Energy Corp., Mariveles Power Generation Corp., EERI, and MPPCL.

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 MediaQuest Holdings, Inc., has an interest in BusinessWorld through the Philippine Star Group, which it controls. — **S.J. Talavera**

First phase of LRT Cavite extension nears completion, operator says

LIGHT Rail Manila Corp. (LRMC), operator of Light Rail Transit Line 1 (LRT-1), said on Wednesday that it is on track to complete the civil and system works of the Cavite Extension Phase 1 next year.

"The LRT-1 Cavite Extension is now taking shape. We are confident that once this extension is operational, it will help in significantly improving the train system in our country providing a more efficient and reliable transportation option," LRMC President and Chief Executive Officer Juan F. Alfonso said in a statement.

The first phase of the Cavite Extension is scheduled to be completed by the last quarter of 2024, while the last two sections of the Cavite line extension are slated to be finished by 2027.

The company said that it has completed the first test run on Phase 1 of the Cavite Extension, which is at a 95% progress rate as of the end of October.

Aside from the train test runs, LRMC mentioned that the five new stations within the 6.7-kilometer Phase 1 project are now in different stages of development. — **Ashley Erika O. Jose**

FULL STORY
Read the full story by scanning the QR code or by typing the link
<http://tinyurl.com/22m4d4nt>

RLC's Frederick Go steps down; Lance Gokongwei to take charge

FREDERICK D. Go is stepping down as the president and chief executive officer (CEO) of Robinsons Land Corp. (RLC), effective January next year, following his appointment as Special Assistant to the President for Investment and Economic Affairs, the listed company announced on Wednesday.

In a regulatory filing, RLC stated that its board of directors has accepted Mr. Go's resignation as president and CEO, as well as a member of its board of directors, effective Jan. 8, 2024.

The company's board has also approved the appointment of RLC Chairman Lance Y. Gokongwei as president and CEO, and Executive Vice-President Faraday D.

Go as a member of the RLC board, starting next month.

In separate disclosures, Mr. Go is also resigning as chairman and member of the board of RL Commercial REIT, Inc. and Altus Property Ventures, Inc., although the two companies have yet to announce who will be replacing Mr. Go.

He also serves as the director of power utility giant Manila Electric Co., and Cebu Air, Inc.

RLC's management changes will not have an impact on the company's performance and operations, analysts said, adding that investors are seen to be confident in the leadership.

"We don't think this will shake things up at RLC. The rest of the senior management

team remains intact, and investors are confident in the leadership of Mr. Gokongwei as the new CEO," China Bank Capital Corp. Managing Director Juan Paolo E. Colet said in a Viber message on Wednesday.

"Although it was quite a surprise to the market, Mr. Go's skills will be of great use in government. RLC is still in the highly capable hands of Mr. Gokongwei," Regina Capital Development Corp. Head of Sales Luis A. Limlingan likewise said in a Viber message. — **Ashley Erika O. Jose**

FULL STORY
Read the full story by scanning the QR code with your smartphone
<http://tinyurl.com/2s89fyfy>

Feasibility concerns prompt Alternergy to return service contract

ALTERNERGY Holdings Corp. announced on Wednesday that it will return the wind energy service contract (WESC) for its Calavite Passage offshore wind power project in Occidental Mindoro to the Department of Energy (DoE) due to feasibility concerns.

"The WESC covering the Calavite Passage located offshore and onshore Occidental Mindoro will be returned to the DoE pursuant to our obligations under the

WESC while the development of the three Tablas Strait WESCs will be further explored," Alternergy President Gerry P. Magbanua said in a stock exchange disclosure.

The project was through the company's joint venture with Shell Overseas Investment BV., through its wholly owned subsidiary Pililla AVPC Corp. The deal was signed in November last year.

The Calavite Passage offshore wind project covers 78,000 hectares north-

west Mindoro and Lubang Island.

The joint venture has concluded the preliminary studies and initial assessment on the technical feasibility of the four offshore WESCs awarded by the DoE.

Alternergy said that the study aims to initially screen possible locations and determine the best sites for the offshore wind development over the contract areas.

"As with any offshore wind development, preliminary studies are

used to understand the complexity and feasibility of the contract areas to select the best sites for development," Mr. Magbanua said. — **Sheldeen Joy Talavera**

FULL STORY
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