Philippine Stock Exchange index (PSEi) 6,667.09 ▼22.28 PTS. ▼0.33%

TUESDAY, JULY 16, 2024
BusinessWorld

PSEi MEMBER STOCKS

AC	Ayala Corp.	P593.00	-P2.00	-0.34%
ACEN	ACEN Corp.	P4.65	-P0.03	-0.64%
AEV	Aboitiz Equity Ventures, Inc.	P37.10	-P0.05	-0.13%
AGI	Alliance Global Group, Inc.	P8.95	——	
ALI	Ayala Land, Inc.	P31.70	+P1.00	+3.26%
BDO	BDO Unibank, Inc.	P139.80	-P3.90	-2.71%
BLOOM	Bloomberry Resorts Corp.	P9.31	+P0.01	+0.11%
BPI	Bank of the Philippine Islands	P121.30	-P0.70	-0.57%
CNPF	Century Pacific Food, Inc.	P35.50	-P0.05	-0.14%
CNVRG	Converge ICT Solutions, Inc.	P11.14	-P0.12	-1.07%
DMC	DMCI Holdings, Inc.	P11.00	-P0.08	-0.72%
EMI	Emperador, Inc.	P18.64	+P0.02	+0.11%
GLO	Globe Telecom, Inc.	P2,092.00	-P18.00	-0.85%
GTCAP	GT Capital Holdings, Inc.	P590.00	-P12.00	-1.99%
ICT	International Container Terminal Services, Inc.	P362.00	-P1.20	-0.33%
JFC	Jollibee Foods Corp.	P230.00	——	
JGS	JG Summit Holdings, Inc.	P27.50	-P0.20	-0.72%
LTG	LT Group, Inc.	P9.52	-P0.18	-1.86%
MBT	Metropolitan Bank & Trust Co.	P67.50	-P0.55	-0.81%
MER	Manila Electric Co.	P375.00	-P1.40	-0.37%
MONDE	Monde Nissin Corp.	P9.50	-P0.08	-0.84%
NIKL	Nickel Asia Corp.	P3.65	-P0.03	-0.82%
PGOLD	Puregold Price Club, Inc.	P25.50	——	
SCC	Semirara Mining and Power Corp.	P33.45	-P0.05	-0.15%
SM	SM Investments Corp.	P900.00	——	
SMC	San Miguel Corp.	P99.00	-P1.00	-1%
SMPH	SM Prime Holdings, Inc.	P30.00	+P0.40	+1.35%
TEL	PLDT Inc.	P1,499.00	-P50.00	-3.23%
URC	Universal Robina Corp.	P116.70	-P0.40	-0.34%
WLCON	Wilcon Depot, Inc.	P17.70	——	

Manila Water project targets 700,000 new customers in Taguig by 2025

MANILA Water Co., Inc. said it targets to finish its P577-million pipelaying project by early 2025, aiming to provide service to 700,000 more customers in Taguig City.

The 3.45-kilometer Long Term East 3 (LTE 3) Ruhale-Bambang Felix Line pipelaying project will pass through the areas of Ruhale M. Natividad, Bambang Felix, DM Cruz, F. Manalo, Bantayan Extension, and Cayetano Boulevard, the company said in a statement on Tuesday.

The project is projected to provide an additional 200 million liters per day of treated water coming from new water sources to Taguig, Pateros, Pasig, and portions of Parañaque as part of long-term supply augmentation.

"The LTE 3 Ruhale-Bambang Felix Line will be a vital part of Metro Manila's water security," Manila Water's Corporate Communication Affairs Group Director Jeric T. Sevilla said.

The project will become part of the company's LTE 3 Distribution Network System connected to new water sources, namely the East Bay Water Treatment Plant and Wawa-Calawis Water Supply System, as well as other long-term sources such as the Kaliwa Dam.

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. — **Sheldeen Joy Talavera**

NexGen Energy Corp. stock price climbs 1.8% after market debut

By Revin Mikhael D. Ochave
Reporter

NEXGEN Energy Corp., a newly listed renewable energy (RE) company, saw its stocks rise by 1.79% or three centavos to P1.71 per share following its market debut on Tuesday, exceeding its initial price of P1.68 each.

NexGen Energy listed its initial public offering (IPO) on the Philippine Stock Exchange's (PSE) Small, Medium, and Emerging (SME) Board, becoming the third company to go public this year, alongside OceanaGold Philippines, Inc. and Citicore Renewable Energy Corp.

Shares of NexGen Energy reached a high of P1.84 before settling at P1.71 by the end of its first trading day. The IPO listing of NexGen Energy brings the PSE closer to its target of achieving six public listings this year.

NexGen Energy successfully raised P504 million in gross proceeds from the IPO of its primary common shares, earmarked for the construction and development of solar projects in Zambales and wind projects in Cavite.

The company also plans to allocate a portion of the proceeds for further development and acquisition of RE projects.

NexGen Energy sold 300 million primary common shares and an additional 15 million shares from its overallotment option, both priced at P1.68 apiece.

The proceeds from the overallotment option were sold by Pure Energy Holdings Corp., NexGen Energy's principal shareholder and parent company.

During the listing ceremony, PSE President and CEO Ramon S. Monzon urged companies to proceed with their IPO plans to stimulate market activity.

"I am often asked these days if companies with IPO plans are correct in waiting for better market conditions. My answer has consistently been that if your company has a good story and it needs capital to pursue its development or expansion plans, then that is the appropriate time to list your company," Mr. Monzon said.

"The more companies that defer their IPO plans because of what they call poor market conditions, the more these poor market conditions become a self-fulfilling prophecy," he added.

Mr. Monzon also said that NexGen Energy is the first RE company to list on the PSE's SME board.

"This IPO serves as a timely reminder to other small companies that need to raise capital that the SME board is a very practical and feasible listing route," he said.

NexGen Energy President and Chief Executive Officer Eric Peter Y. Roxas said in his speech that the IPO proceeds will help the company's expansion plans.

"Although our IPO is a small issue, the funds raised will jumpstart a basket of projects with our target of developing over 1,600 megawatts (MW) composed of several solar energy service contracts and 12 wind energy service contracts," Mr. Roxas said.

"The synergy we have with our sister company, Repower Energy Development Corp. (REDC), will play an important factor in the completion of these projects," he added.

Sought for comment, China Bank Capital Corp. Managing Director Juan Paolo E. Colet said in a Viber message that NexGen Energy's public listing will encourage other RE or similarly sized companies to explore listing on the PSE.

"This comes on the back of an improving market backdrop, with the PSE benchmark index rising more than 8% since hitting its year-to-date low last June," he said.

"We are pleased that the stock closed above its IPO price on its market debut. It appears that many short-term traders exited on the first day, but the bulk of NexGen Energy's investors are strong hands who are confident about the company's prospects," he added.

Globalinks Securities and Stocks, Inc. Trader Mark V. Santarina said that NexGen Energy's stock price is poised to benefit from improving economic conditions and the government's RE push.

"The stock closed at P1.71, reflecting positive investor sentiment. RE companies are poised to benefit from the Philippine government's target to increase the renewable energy share in the country's energy mix," Mr. Santarina said in a Viber message.

"NexGen Energy shares could benefit from improved economic conditions, especially if the Federal Reserve cuts rates by September," he added.

Regina Capital Development Corp. Head of Sales Luis A. Limlingan said in a separate Viber message: "At this stage, there's not enough technical analysis indicators, but hopefully it follows the market's recent upswing."

NexGen Energy operates through its subsidiaries SPARC-Solar Powered Agri-Rural Communities Corp., 5hour Peak Energy Corp., and Airstream Renewables Corp., which currently produce 13.86 MW of capacity.

IPO proceeds aim to increase the company's total capacity to 38.86 MW by the end of 2026.

A-FLOW, LANDBANK ink P2.4-B loan for data center

A-FLOW Properties I Corp. (A-FLOW) and Land Bank of the Philippines (LANDBANK) recently signed a P2.4-billion loan agreement for the establishment of a data center campus in Biñan, Laguna

The loan facility will be used for the development of the initial phase of the first A-FLOW data center campus and is the first tranche of a P10.8-billion ten-year loan facility with LANDBANK.

Currently under construction, the six-megawatt IT capacity Phase 1A of the three-building data center campus project is scheduled to be ready-for-service by the end of the year.

"This agreement marks a significant step forward in our shared commitment to develop the largest carrier-neutral data center campus in the Philippines. We are excited to build an ecosystem to attract a combination of international hyperscale customers and local enterprise customers," A-FLOW President Amandine Wang said in an e-mailed statement on Tuesday.

A-FLOW is a joint venture between listed AyalaLand Logistics Holdings Corp. (ALLHC) and FLOW Digital Infrastructure that invests, develops, and operates digital infrastructure in the Asia-Pacific region.

"This is the first data center project financed by LANDBANK, and with this new partnership, we are confident that this project will yield significant economic benefits," LANDBANK President and Chief Executive Officer Ma. Lynette V. Ortiz said.

Meanwhile, ALLHC Chairman Anna Ma. Margarita B. Dy said that digital transformation, cloud computing, and the surge of artificial intelligence are technologies that need "robust and scalable data center solutions."

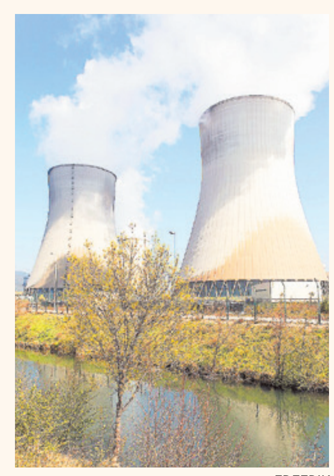
"Like any other infrastructure project, capital is key. So, we thank LANDBANK for the P10.8-billion loan facility to A-FLOW, a critical enabler for this project," she said.

ALLHC is a subsidiary of listed property developer Ayala Land, Inc. (ALI).

On Tuesday, ALLHC shares rose by 0.52%, or one centavo, ending at P1.94 apiece, while ALI stocks increased by 3.26%, or P1, finishing at P31.70 per share. — **Revin Mikhael D. Ochave**

Meralco chairman: Commercial deployment of micro-nuclear power plants by 2028 in doubt

By Sheldeen Joy Talavera
Reporter



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POWER DISTRIBUTOR Manila Electric Co. (Meralco) on Tuesday said there may be a delay in its timeline to deploy micro-modular nuclear power plants by 2028 due to some challenges.

"We thought we could be operational by 2028, within the (current) administration, but looking at it, it might be a bit challenging for the commercial deployment of SMRs (small modular reactors) or MMRs (micro-modular reactors) at that time," Meralco Chairman and Chief Executive Officer Manuel V. Pangilinan told *BusinessWorld* on Tuesday.

Despite these hurdles, the company still hopes to achieve its goal of having an operational prototype or demonstration plant by 2028, he added.

In May, Meralco said that it was about to complete its feasibility study with US-based Ultra Safe Nuclear Corp.

"We have finished the pre-feasibility with Ultra Safe. We've commissioned them maybe about two or three months ago to do the full-blown feasibility. So, we probably should wait another month or so before they complete it," Mr. Pangilinan said.

In November last year, Meralco and Ultra Safe signed a deal to study the potential deployment of one or more micro-modular reactor energy systems in the country.

An MMR unit or "nuclear battery" can "safely and reliably" provide up to 45 megawatts (MW) of high-quality heat, delivered into a centralized heat storage unit, according to Meralco.

"One or more MMR nuclear batteries combine their heat in the heat storage unit, from where electric power or superheated steam can be extracted through conventional means to meet a wide range of power requirements, from tens to hundreds of MW," the power distributor said.

The nuclear initiative is part of Meralco's commitment to adopting next-generation clean technologies. It is also in line with the goal of the Department of Energy of incorporating at least 1,200 MW of nuclear energy in the energy mix by 2032.

Earlier this month, Meralco introduced the pilot batch of scholars under its Filipino Scholars and Interns on Nuclear Engineering (FISSION) program that was launched last year.

Upon completion of the academic program, the FISSION scholars will be sent to nuclear technology companies for their internship.

Once they return to the Philippines in 2028, they will be reintegrated into Meralco and assigned to take on a role in its nuclear power generation unit.

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.

Hann Resorts plans up to P20-B IPO next year — gaming regulator

HANN Resorts, an operator and owner of an integrated casino-resort in the Philippines, is planning an initial public offering (IPO) worth P15 billion to P20 billion ($256.6 million to $342.2 million), the chief of the country's gaming regulator said on Tuesday.

The deal could be the largest maiden share sale in the Philippines since MREIT, Inc.'s P15-billion IPO in 2021, and could match the amount raised by another integrated casino-resort IPO more than a decade ago.

Hann Resorts, led by Korean Dae Sik Han, has a target of listing on the Philippine bourse early next year, Alejandro H. Tengco, chairman of the Philippine Amusement and Gaming Corp., told Reuters.

"The growth story is they have a casino expansion including three championship golf courses and five-star hotels," Mr. Tengco said.

The Philippine gambling sector, which includes a smaller version of the Las Vegas Strip in Manila, attracts high rollers from countries including China, Japan and South Korea.

Hann Resorts is weighing whether it can pursue an IPO this year, with fresh capital allotted for expanded gaming activities and the development of luxury estate Hann Reserve, a banking source with knowledge of the deal said on Tuesday.

Hann Resorts' Mr. Han did not immediately respond to a request for comment. The news of the IPO was first reported by news site InsiderPH on Monday.

Hann Resorts owns a casino-resort with 147 gaming tables, 868 slot machines, two VIP clubs, and two five-star hotels in a former US military air base in Pampanga province.

Its parent firm, Hann Philippines, is spending around $2 billion for Hann Reserve, a 450-hectare luxury estate development at the adjacent Tarlac province, and is among the up to $6 billion worth of investments being made into the Philippines' casino sector in the next five years, according to the gaming regulator.

Among the Philippines' integrated casino-resort operators, only Travellers Group, a joint venture between Genting Hong Kong Ltd. and a Philippine conglomerate, conducted an IPO but its owners took it private six years later in 2019. — ***Reuters***