Philippine Stock Exchange index (PSEi) 6,847.37 ▲ 154.46 PTS. ▲ 2.3%

FRIDAY, AUGUST 16, 2024 BusinessWorld

PSEi MEMBER STOCKS

AC	Ayala Corp.	P625.00	+P13.00	+2.12%
ACEN	ACEN Corp.	P5.81	+P0.06	+1.04%
AEV	Aboitiz Equity Ventures, Inc.	P34.50	+P1.00	+2.99%
AGI	Alliance Global Group, Inc.	P8.90	+P0.09	+1.02%
ALI	Ayala Land, Inc.	P33.10	+P1.10	+3.44%
BDO	BDO Unibank, Inc.	P141.70	+P2.70	+1.94%
BLOOM	Bloomberry Resorts Corp.	P7.30	-P0.18	-2.41%
BPI	Bank of the Philippine Islands	P120.50	+P2.60	+2.21%
CNPF	Century Pacific Food, Inc.	P36.50	+P0.70	+1.96%
CNVRG	Converge ICT Solutions, Inc.	P14.28	+P0.68	+5%
DMC	DMCI Holdings, Inc.	P11.08	-P0.02	-0.18%
EMI	Emperador, Inc.	P18.90	+P0.10	+0.53%
GLO	Globe Telecom, Inc.	P2,282.00	+P2.00	+0.09%
GTCAP	GT Capital Holdings, Inc.	P636.00	+P35.00	+5.82%
ICT	International Container Terminal Services, Inc.	P395.00	+P21.00	+5.61%
JFC	Jollibee Foods Corp.	P252.20	+P8.20	+3.36%
JGS	JG Summit Holdings, Inc.	P24.20	+P0.05	+0.21%
LTG	LT Group, Inc.	P9.90	+P0.13	+1.33%
MBT	Metropolitan Bank & Trust Co.	P70.00	+P2.70	+4.01%
MER	Manila Electric Co.	P425.00	+P24.60	+6.14%
MONDE	Monde Nissin Corp.	P9.60	——	
NIKL	Nickel Asia Corp.	P3.11	-P0.01	-0.32%
PGOLD	Puregold Price Club, Inc.	P26.25	+P0.20	+0.77%
SCC	Semirara Mining and Power Corp.	P32.15	+P0.05	+0.16%
SM	SM Investments Corp.	P930.50	+P10.50	+1.14%
SMC	San Miguel Corp.	P96.50	-P0.50	-0.52%
SMPH	SM Prime Holdings, Inc.	P30.50	+P0.50	+1.67%
TEL	PLDT Inc.	P1,579.00	+P13.00	+0.83%
URC	Universal Robina Corp.	P93.40	-P0.65	-0.69%
WLCON	Wilcon Depot, Inc.	P18.00	+P0.20	+1.12%

Fuel retailer Topline sets Nov. 15 for IPO, aims to raise up to P3.16B

CEBU-BASED fuel retailer Top Line Business Development Corp. (Topline) has set a target date of Nov. 15 for its initial public offering (IPO), with plans to raise up to P3.16 billion.

Topline intends to offer up to 3.68 billion primary common shares, with an additional overallotment option of up to 368.31 million secondary common shares, at an indicative price of up to P0.78 per share, the company said in a statement on Sunday.

The company has submitted a registration statement and listing application to the Securities and Exchange Commission and the Philippine Stock Exchange (PSE) in connection with its planned IPO.

The proposed offer period is scheduled from Oct. 28 to Nov. 5.

According to the prospectus dated Aug. 2, Topline has appointed Investment & Capital Corp. of the Philippines as the issue manager, joint lead underwriter, and bookrunner for the IPO.

The company said it intends to use the proceeds from the offer for its "vertical expansion initiatives, working capital, and general corporate purposes."

"With our accelerating growth in recent years in the fuel sector of the Visayas region, we are poised for the company's historic milestone of listing on the PSE," said Eugene Erik C. Lim, Topline's chairman, president, and chief executive officer.

The PSE expects to have six IPOs for 2024. Three companies have conducted IPOs so far, one of which is a mining company while the other two are energy companies.

For the first half, Topline's net income increased to P60.6 million from last year's P20.8 million. The company's gross revenues grew by 15% to P1.56 billion.

"Earnings from our commercial fuel trading boosted our sales in the first half with robust fuel demand in Metro Cebu and Cebu Province," Mr. Lim said.

Topline's commercial fuel trading operations cater to customers with requirements of at least 4,000 liters per order in transportation, construction, shipping, and mining, among others.

The company expects two fuel service stations to open this month, on track to meet its target of 10 operating service stations this year.

"Our expansion in the retail fuel market will further support our vertical integration plans, supporting Topline's continued growth," the company executive said. — **Sheldeen Joy Talavera**

ACEN, GenZero, and Keppel team up to facilitate retirement of coal-fired power plant

ACEN Corp., GenZero, and Keppel Ltd. (Keppel) have signed a memorandum of understanding (MoU) to jointly explore the origination and utilization of transition credits (TCs) to accelerate the retirement of the South Luzon Thermal Energy Corp. (SLTEC) coal-fired power plant (CFPP) in Batangas and replace it with a clean energy despatch facility. Guests of honor (standing, center): Grace Fu, minister for sustainability and the environment of Singapore, and Maria Antonia Yulo-Loyzaga, secretary of the Department of Environment and Natural Resources of the Philippines, witnessed the MoU signing. They are joined by Jaime Augusto Zobel de Ayala, chairman of Ayala Corp. and board director of Temasek; Fernando Zobel de Ayala, board director of Ayala Corp.; and Jaime Alfonso Zobel de Ayala, board director of ACEN. MoU signatories (seated, from left): Cezar Consing, chairman of ACEN; Eric Francia, president and chief executive officer of ACEN; Frederick Teo, chief executive officer of GenZero; and Cindy Lim, chief executive officer of Keppel's Infrastructure Division.

Pangilinan says Meralco open to increasing stake in SP New Energy

MANILA Electric Co. (Meralco), through its unit MGen Renewable Energy, Inc. (MGreen), is open to acquiring a larger stake in integrated solar developer SP New Energy Corp. (SPNEC), the company's chairman said.

"If it's open, why not? It's a good project. It owns 100% of Terra Solar for now, right? It's the largest single-site solar facility in the world, and the Philippines should be proud of that," Meralco Chairman and Chief Executive Officer Manuel V. Pangilinan told reporters on July 29.

MGreen is the renewable energy unit of Meralco PowerGen Corp., a fully owned subsidiary of Meralco.

"[The solar project] is a very complex [and] huge undertaking," Mr. Pangilinan noted.

SPNEC, through its subsidiary Terra Solar Philippines, Inc., is currently developing the P200-billion solar power project, which is said to be the world's largest solar farm.

The solar project is located in Nueva Ecija and Bulacan, consisting of a 3,500-megawatt solar power plant and a 4,000-megawatt-hour energy storage system.

The first phase is targeted for completion by 2026, while the second phase is expected to be finished by 2027.

In February, MGreen raised its stake in SPNEC, boosting the controlling interest of the company and its affiliates to 55.96% from 50.55%.

The acquisitions amounted to P20.2 billion, allowing MGreen and its affiliates to own 19.473 billion common shares of SPNEC, or 38.89% of the total outstanding common shares of the company.

Before these developments, Solar Philippines Power Project Holdings, Inc., owned by Leandro Leviste, held the majority stake in SPNEC.

Solar Philippines continues to own 18.993 billion shares of SPNEC, with other shareholders and the public owning the remaining shares.

Meralco's majority owner, 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. — **Sheldeen Joy Talavera**

OUTLIER

Earnings, revised growth targets lift Converge shares

CONVERGE ICT Solutions, Inc.'s shares rose last week as it revised growth forecasts following the release of its second-quarter earnings data.

Converge was the 11th most actively traded stock last week, with a total of 65.21 million shares worth P854.92 million changing hands from August 12 to 16, data from the Philippine Stock Exchange showed.

Shares closed at P14.28 apiece last Friday, up by 19% from P12 apiece the previous week.

Year to date, the stock has jumped 70.4% from its P8.38 close on the last trading day of 2023.

Analysts attributed the week-on-week increase to strong earnings data released by the telecommunications company early last week.

"Solid second-quarter results reflected positively on the stock last week, driving investor sentiment upward. The earnings beat most analysts' expectations, which likely contributed to a bullish momentum, resulting in increased trading volumes and upward price movements earlier last week," Arielle Anne D. Santos, equity analyst at Regina Capital Development Corp., said in an e-mail.

The attributable net income of the company surged by 29.8% in the second quarter to P2.74 billion from P2.11 billion in the same period a year ago, bringing its total to P5.29 billion for the first half of the year.

Likewise, Converge's second-quarter revenue reached P9.98 billion, climbing 14.4% from last year's P8.72 billion.

With strong earnings for the second quarter and first half, the telecommunications company upgraded its 2024 revenue growth targets to 12-14% from 7-8%, further pushing shares upward.

"This upward revision signaled stronger-than-anticipated demand, particularly in the residential and enterprise segments. The market generally responded positively to this guidance upgrade, as it indicated management's confidence in capturing more market share and sustaining growth. This news likely contributed to a further boost in stock price, reflecting heightened investor optimism," Ms. Santos said.

The company's household coverage for the second quarter reached 63.7%, higher than the 62.3% in the same period last year.

Enterprise clients likewise increased year on year to 55,906, up 30.6% from 42,797. — **Karis Kasarinlan Paolo D. Mendoza**

FULL STORY

Read the full story by scanning the QR code with your smartphone or by typing the link <tinyurl.com/mn7p3f7h>

BW ONE-ON-ONE

ePLDT's Victor Genuino sees bright future for data centers

By Ashley Erika O. Jose
Reporter

VICTOR S. GENUINO, president and chief executive officer of ePLDT, Inc., aspires to position the Philippines as a leading hub in the data center market.

"I would love for the Philippines to be known as the hyperscaler hub of Asia Pacific," Mr. Genuino said in an interview with *BusinessWorld*.

VICTOR S. GENUINO

"I think the Philippines is in a very unique geographical position to be able to be one," he added.

Before his stint as the president and CEO of ePLDT, the information and communications technology arm of listed PLDT Inc., Mr. Genuino served as the head of customer retail services and corporate communications at Manila Electric Co. (Meralco) for 10 years.

During his time at Meralco, Mr. Genuino was also tasked with overseeing the power company's two subsidiaries: Meralco Energy, Inc. (MSERV) and MSpectrum, Inc., the solar unit.

"Obviously, a lot of discussions and developments around energy and how we could help customers be more efficient in the way they manage and utilize energy. It was also very critical at that time for my role to ensure that the power requirements of our customers were prepared beforehand," he said.

His previous roles in the energy sector have proven beneficial considering that power is the lifeblood of the data center business, Mr. Genuino said.

"Our VITRO Sta. Rosa is a 50-megawatt site. So, if you look at power consumption, that is the equivalent of maybe five Mall of Asia combined, in terms of power consumption," he added.

The biggest cost component of the data center business is power costs, Mr. Genuino said, adding that it is important for companies focusing on the data center business to adopt sustainable measures due to data centers' high power consumption.

"We have to ensure that the data center has adequate power. We have to make sure that the data center has reliable and affordable power... and energy moving forward has to be sustainable," Mr. Genuino said.

With this, ePLDT is sourcing its power requirements from renewable and sustainable sources of energy to meet its energy needs while also offsetting high power costs, he said.

For instance, all of its running data centers are operating at about 20% sustainable power, while its largest data center, VITRO Sta. Rosa, is powered by a 35% sustainable source of energy.

In July, the company completed the structure of its 50-MW hyperscale VITRO Sta. Rosa, its 11th and largest data center to date.

The structural completion of Vitro Sta. Rosa will pave the way for power integration and energization, ePLDT said.

"We have been running the data centers throughout this time. Since then, we have managed to build a portfolio of 10 data centers. We have an extensive footprint of data centers," he said.

He also said that there has been a growing interest in establishing data centers among companies, especially with the rise of technologies such as artificial intelligence and cloud service providers.

"I think we have a very good market share position, a dominant share position with regard to data centers and colocation space. With the recent trend of establishing data centers due to the advent of cloud technology, many are interested. The industry is actually turning into a very interesting and competitive landscape," Mr. Genuino said.

The country can also benefit from the growing interest in the data center space, he said, adding that it would also boost the country's digital economy.

"I think the key is to be able to attract what we call hyperscalers, cloud service providers. If we are able to attract them to relocate, establish, and build a presence in the Philippines, it will boost the digital economy," he added.

The country is considered an ideal hub for data centers because of its location in Southeast Asia; however, the country's high power costs may deter investors, considering that the Philippines' neighboring countries subsidize power costs, he said.

"Still, I am very bullish on the data center space. I think hyperscalers are really looking at the Philippines to be able to come in and invest," Mr. Genuino said.

Earlier, the company said that its planned 12th data center may double the capacity of VITRO Sta. Rosa while it is still in the site selection process for its 13th and 14th data centers.

For its 12th data center, the company said it will be located somewhere in South Luzon due to the availability of connectivity and energy redundancy; while it is on a constant lookout for its 13th and 14th data centers.

Hastings Holdings, Inc., a unit of the PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls.