



29 May 2024

**PHILIPPINE DEALING AND
EXCHANGE CORPORATION**

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City

Attention: **ATTY. SUZY CLAIRE R. SELLEZA**
Head – Issuer Compliance and Disclosure Department

Re: **Clarification of News Report**

Dear Atty. Selleza,

In compliance with the disclosure requirements of the Philippine Dealing and Exchange Corporation, please find attached Megawide Construction Corporation's Disclosure on Clarification of News Report entitled "Megawide allots P3B to finance expansion" posted in BusinessWorld (Online Edition) on 29 May 2024.

Should you have any questions or concerns, please do not hesitate to reach out to us.

Thank you and warm regards,

Very truly yours,

A handwritten signature in black ink, appearing to read "San Juan Jr.", written over a horizontal line.

TEODULO ANTONIO G. SAN JUAN JR.

*Corporate Secretary, Assistant Compliance Officer, and
Corporate Information Officer*

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)

May 29, 2024

2. SEC Identification Number

CS200411461

3. BIR Tax Identification No.

232-715-069-000

4. Exact name of issuer as specified in its charter

Megawide Construction Corporation

5. Province, country or other jurisdiction of incorporation

Philippines

6. Industry Classification Code(SEC Use Only)

7. Address of principal office

No. 20 N. Domingo Street, Barangay Valencia, Quezon City

Postal Code

1112

8. Issuer's telephone number, including area code

(02) 8655-1111

9. Former name or former address, if changed since last report

N/A

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding |
|---------------------|---|
| Common | 2,013,409,717 |
| Preferred | 101,405,880 |

11. Indicate the item numbers reported herein

Item 9

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



Megawide Construction Corporation

MWIDE

PSE Disclosure Form 4-13 - Clarification of News Reports

*References: SRC Rule 17 (SEC Form 17-C) and
Section 4.4 of the Revised Disclosure Rules*

Subject of the Disclosure

Clarification of the News Article entitled "Megawide allots P3B to finance expansion" posted in BusinessWorld (Online Edition) on 29 May 2024

| | |
|-------------------------------|--|
| Source | BusinessWorld (Online Edition) |
| Subject of News Report | Megawide allots P3B to finance expansion |
| Date of Publication | May 29, 2024 |

Clarification of News Report

We write with respect to the news articles posted in various online sites. In the attached news article entitled "Megawide allots P3B to finance expansion" posted in BusinessWorld (Online Edition) on 29 May 2024, the article reported in part that:

"MEGAWIDE Construction Corp. has allotted as much as P3 billion for its capital expenditures (capex) to finance expansion plans this year, its top official said on Tuesday.

The company is spending P2.5 billion to P3 billion on capex, Megawide Chairman and Chief Executive Officer Edgar B. Saavedra told reporters on the sidelines of a groundbreaking ceremony for a housing project in Imus, Cavite.

He said Megawide spent about P1 billion worth of capex last year. 'The capex is definitely higher this year than last year. Our projects started late last year and are now just taking off this year.'

Mr. Saavedra said about P1 billion of this year's capex (sic) would be earmarked for Megawide, while the remaining budget would be allotted for the projects of its various units including PH1 World Developers, Inc. and Cebu2World Development, Inc.

'We have three or four projects for PH1 World and then for Megawide, we also have construction and factory [project],' he added."

Please be informed that we confirm the veracity of the information contained in the news article. Megawide Construction Corporation's ("Megawide") capital expenditures ("capex") could reach P2.5 to P3.0 billion, subject to the results of ongoing discussion with various counterparties.

Out of the entire budget of P3.0 billion, P1 billion is intended to be used by Megawide for the expansion of transit-centric developments, as stated in its Use of Proceeds of the Series A and B Fixed Rate bonds listed in 2022. The remaining balance will be utilized by PH1 World Developers, Inc. ("PH1 World") for its pipeline projects and by Cebu2World Development, Inc. ("Cebu2World") for the ongoing development of the Carbon Market.

As regards funding, PH1 World's capex will be sourced largely from the proceeds of its ongoing bond issuance, while Cebu2World's capex will be partially funded by its existing project financing loan.

Other Relevant Information

Forward-looking statements: This clarification contains forward-looking statements that are, by their nature subject to risks and uncertainties. When used herein, the words “aims”, “anticipate”, “believe”, “could”, “estimate”, “expect”, “going forward”, “intend”, “may”, “ought to”, “plan”, “project”, “seek”, “should”, “will”, “would” and similar expressions, are intended to identify forward-looking statements.

Such forward-looking statements are based on numerous assumptions and known and unknown risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements speak only as the date of this release and nothing contained herein is or should be relied upon as a promise, warranty, or representation in the future. Megawide expressly disclaims any obligation or undertaking to release, public or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in Megawide’s expectations with regard thereto or any change in events, conditions, assumptions or circumstances on which any statement is based.

Filed on behalf by:

| | |
|--------------------|--------------------------|
| Name | Teodulo Antonio San Juan |
| Designation | Corporate Secretary |

Megawide allots P3B to finance expansion

BW bworldonline.com/corporate/2024/05/29/598096/megawide-allots-p3b-to-finance-expansion/

May 29, 2024 | 12:02 am



MEGAWIDE Construction Corp. has allotted as much as P3 billion for its capital expenditures (capex) to finance expansion plans this year, its top official said on Tuesday.

The company is spending P2.5 billion to P3 billion on capex, Megawide Chairman and Chief Executive Officer Edgar B. Saavedra told reporters on the sidelines of a groundbreaking ceremony for a housing project in Imus, Cavite.

He said Megawide spent about P1 billion worth of capex last year. “The capex is definitely higher this year than last year. Our projects started late last year and are now just taking off this year.”

Mr. Saavedra said about P1 billion of this year’s capex would be earmarked for Megawide, while the remaining budget would be allotted for the projects of its various units including PH1 World Developers, Inc. and Cebu2World Development, Inc.

“We have three or four projects for PH1 World and then for Megawide, we also have construction and factory [project],” he added.

Mr. Saavedra said he is bullish about Megawide prospects for the rest of the year. “I am very bullish. The economy is already recovering.”

“We already finished the old problematic contracts during the pandemic. We have new projects and we have already fixed our order book,” he added.

Mr. Saavedra said Megawide is banking on the rising housing demand spurred by the stronger spending power of its clients.

He added that the lower affordable housing segment has experienced growth, while the mid-segment has been stable.

“There is demand for housing especially that the minimum wage is increasing. The higher wage improves the spending power of buyers,” he said.

Megawide had P183.4 million in consolidated net income last quarter, a reversal of its P7.4-million net loss a year earlier. Consolidated revenue increased by 19% to P5.2 billion.

Megawide shares were unchanged at P3.16 each. — **Revin Mikhael D. Ochave**