

**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
MEGAWIDE CONSTRUCTION CORPORATION**

**Held on July 2, 2019
Ballroom B Marco Polo Hotel
Pasig City**

I. CALL TO ORDER

The Chairman of Megawide Construction Corporation (“Megawide” or the “Corporation”) called the meeting to order at 2:00 p.m. The host introduced the members of the Board of Directors present during the meeting:

Chairman	-	Edgar B. Saavedra
Director	-	Manuel Louie B. Ferrer
Director	-	Oliver Y. Tan
Independent Director	-	Hilario G. Davide, Jr.
Independent Director	-	Leonilo G. Coronel
Independent Director	-	Celso P. Vivas
Independent Director	-	Alfredo E. Pascual
Corporate Secretary	-	Althea Isobel F. Oaminal

II. NOTICE AND QUORUM

The Corporate Secretary certified that: (i) the notices of the meeting were sent to stockholders of record as of May 17, 2019, in accordance with the By-laws of the Corporation; (ii) stockholders representing 72.32% of the outstanding voting stock of the Corporation, or 1,507,353,673 shares, are present in person or represented by proxy; and (iii) a quorum existed.

Upon request of the Chairman, the Corporate Secretary explained the voting procedure for the Annual Stockholders’ Meeting:

1. All stockholders of record at the close of business on May 17, 2019 are entitled to notice and to vote at the Annual Stockholders’ Meeting.
2. All matters in the agenda subject to the vote of the stockholders shall be decided by the majority vote of stockholders present in person or by proxy, except in cases where the law provides otherwise.
3. Cumulative voting is allowed for election of members of the board in a stock corporation. Every stockholder entitled to vote shall have the right to vote in person or by proxy the number of shares of stock standing in his own name on the stock transfer books of Megawide. Each stockholder

may vote such number of shares for as many persons as there are directors to be elected; or he may cumulate his shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of shares shall equal; or he may distribute these shares on the same principle among as many candidates as he shall see fit; provided that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Megawide multiplied by the total number of directors to be elected.

4. The Company's stock transfer agent, BDO, will tabulate the votes. As necessary, such tabulation will be reviewed by Punongbayan & Araullo, the Company's independent external auditor.
5. The results of the voting on each item will be reflected in the Minutes of this meeting.

III. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON JULY 2, 2018

Agenda Item 3: To approve the Minutes of the Annual Stockholders' Meeting held on July 2, 2018, which contains the following: (a) Approval of the Minutes of the Annual Stockholders Meeting held on September 18, 2017; (b) Chairman's/President's Report; (d) Election of Directors; (e) Approval of the 2017 Audited Financial Statements; (f) Appointment of External Auditor; (g) Ratification of all Acts of Management and the Board of Directors; (h) Amendment of the Articles of Incorporation; (i) Approval of the corporate guaranty in favor of Major Homes Inc.

Resolution: On motion duly seconded, the shareholders approved the minutes and adopted the following resolution:

"RESOLVED, to dispense with the reading of the minutes of the July 2, 2018 Annual Stockholders' Meeting and the same is approved as presented."

The tabulation of votes on the approval of the resolution are as follows:

	For	Against	Abstain
Number of Votes	1,507,353,673	0	0
% of outstanding capital stock	72.32%	Nil	Nil

IV. PRESIDENT'S REPORT

The President and Chairman of the Board of Directors, Engr. Edgar B. Saavedra, reported on the operational highlights of the Corporation for the year 2018:

- Megawide opened two national infrastructure projects last year: Terminal 2 of the Mactan-Cebu International Airport in July and the Parañaque Integrated Terminal Exchange in November. Both projects provide us with sustainable and recurring revenues that lead to greater shareholder value for the company.
- Megawide generated consolidated revenues of PhP16.0 billion. Construction is still the core revenue contributor at 79%, while 19% came from airport operations, and the balance from airport merchandising. Megawide ended the year with a consolidated net income of PhP 1.9 billion, slightly ahead of Megawide's estimate at the start of last year, despite booking one-off charges of P300 million related to disputed contract receivables.
- While net profit was affected by cyclicity in the construction business and non-cash charges associated with opening of Terminal 2, EBITDA remained healthy at PhP4.59 billion, 6% higher from the previous year. Boosted by the opening of the new terminal, airport operations delivered an EBITDA of PhP2.1 billion, 29% higher year-on-year.
- Total assets amounted to PhP66 billion.
- Last year, Megawide declared Php 12.5 centavos cash dividend per share, equivalent to 20% of 2017's net income.
- In 2018, the construction business contributed 79% to revenue and 51% to EBITDA. Meanwhile, the construction net income amounted to PhP857 million with lower revenue due to the delayed start of some new projects and full completion of most projects secured the past years.
- Megawide reached Php 29.5 billion last year and resulted in a record-high Order Book of Php 50.1 billion. These new projects will start contributing revenues in the second half of this year following the normal construction cycle.
- Megawide is also diversifying into new segments. While 90% of existing projects are in the residential, commercial and industrial spaces, Megawide is exploring opportunities in the infrastructure segment, which has a share of 10% in the 2018 order book, largely because of Clark International Airport.
- Megawide is expanding into new areas outside Metro Manila such as Cebu and other provinces in Central Luzon to capitalize on the rapid economic development in these areas.
- Being a Quadruple A, PCAB-licensed general contractor, one of the trusted few to have this special license, coupled with its engineering strengths, Megawide will leverage on its partnerships with the country's leading developers, such as Megaworld, Double Dragon, the Araneta

Group, Phirst Park Homes of Century Properties, 8990 Holdings, and HTLand to name a few.

- Last year, the airport project achieved 15% growth in total passenger volume to 11.5 million, with international and domestic passengers growing 23% and 12% respectively. Domestic passengers comprised 67% of the total passenger mix while international passengers comprised 33%.
- International destinations have grown from 7 when Megawide took over operations in November 2014 to 21 as of end May 2019. Domestic destinations have also increased significantly from 23 to 30, while airline partners likewise increased from 11 at takeover to 24.
- With additional retail and dining areas in Terminal 2, including a Duty-Free and Megawide's own local specialty store, the Company boosted Non-aero related revenues and complemented revenues from the Passenger Service Charge. This enabled revenue from airport operations to grow 29%. Overall, the airport now accounts for 19% of revenues and 50% of net income for Megawide. This strong performance is expected to continue into 2019, especially as Megawide complete Phase 1 of the renovation of Terminal 1 later this year.
- The renovation of Terminal 1 will add 2,200 sq m of retail space and bring total leasable space to approximately 4,200 sq m. There will also be other exciting areas in MCIA such as the new Airport Village.
- MCIA's transformation yielded three awards for the airport last year one of which is considered as the Oscar's of the aviation industry, the CAPA Center for Aviation Award for Best Airport in the Medium Category.
- On the Corporate Social Responsibility side, Megawide Foundation also continues to be a leader in our social responsibility initiatives. The Foundation now has 48 college scholars, double the number last year, taking up engineering and architectural courses at the Polytechnic University of the Philippines, the Technological University of the Philippines, University of the City of Manila, and UP Diliman.

V. ELECTION OF DIRECTORS

Agenda Item 5: To elect the regular and independent members of the Board of Directors to hold office until the next stockholders' meeting and until their respective successors have been elected and qualified.

Resolution: On motion duly seconded, the stockholders represented during the meeting voted in favor of the following:

“RESOLVED, to elect the following to the Board of Directors of the Corporation to serve for the current year:

1. Edgar B. Saavedra
2. Oliver Y. Tan
3. Manuel Louie B. Ferrer
4. Leonilo G. Coronel (independent director)
5. Chief Justice Hilario G. Davide, Jr. (Ret.) (independent director)
6. Celso P. Vivas (independent director)
7. Alfredo E. Pascual (independent director).”

The tabulation of votes on the election of members of the Board of Directors are as follows:

Director’s Name	For	Against	Abstain
Edgar B. Saavedra	1,506,980,573	262,800	110,300
Oliver Y. Tan	1,500,431,755	6,921,918	0
Manuel Louie B. Ferrer	1,506,924,573	429,100	0
Leonilo G. Coronel	1,507,187,373	166,300	0
Hilario G. Davide, Jr.	1,500,431,755	6,921,918	0
Celso P. Vivas	1,507,090,873	262,800	0
Alfredo E. Pascual	1,507,187,373	166,300	0

VI. APPROVAL OF THE 2018 AUDITED FINANCIAL STATEMENTS

Agenda Item 6: To approve the 2018 Audited Financial Statements.

Resolution: On motion duly seconded, the stockholders approved the following resolution:

“**RESOLVED**, to approve the 2018 Audited Financial Statements as presented.”

The tabulation of votes on the approval of the resolution are as follows:

	For	Against	Abstain
Number of Votes	1,507,243,373	0	110,300
% of outstanding capital stock	72.31%	Nil	0.01%

VII. APPOINTMENT OF EXTERNAL AUDITOR

Agenda Item 7: To approve the appointment of Punongbayan & Araullo as external auditor.

Resolution: On motion duly seconded, the stockholders approved the following resolution:

“**RESOLVED**, upon the recommendation of the Audit and Compliance Committee, to appoint Punongbayan & Araullo as external auditor

The tabulation of votes on the approval of the resolution are as follows:

	For	Against	Abstain
Number of Votes	1,507,353,673	0	0
% of outstanding capital stock	72.32%	Nil	Nil

VIII. RATIFICATION OF ALL ACTS OF MANAGEMENT AND THE BOARD OF DIRECTORS

Agenda Item 8: To ratify all acts of Megawide’s Management and the Board of Directors in the ordinary course of business pertaining to obtaining government permits and clearances, execution of contracts, availment of services from banks, transactions indicated in the Information Statement, and other acts necessary for various construction projects and operations of the Corporation.

Resolution: On motion duly seconded, the stockholders approved the following resolution:

“**RESOLVED**, to ratify all acts of Management and the Board of Directors as reported by the President in the Annual Stockholders’ Meeting held on July 2, 2019 and stated in the Information Statement duly distributed to the stockholders.”

The tabulation of votes on the approval of the resolution are as follows:

	For	Against	Abstain
Number of Votes	1,507,353,673	0	0
% of outstanding capital stock	72.32%	Nil	Nil

IX. OTHER MATTERS

The Chairman then asked whether there were other matters to be taken up at today's meeting and the following matters were discussed:

- Mr. Jason Torres, Assistant Vice President and Head for Group Corporate Affairs introduced Megawide's new PITX mobile app.
- The Megawide Family likewise introduced the new Vision, Mission and Value Statement of Megawide, as follows:

Vision: "We will be a First-World Philippines."

Mission: "We will be at the forefront of building a First-World Philippines through engineering excellence and innovation."

Values:

- **Para sa Bayan**
Inaalay namin ang aming trabaho at kakayahan para sa katuparan ng pangarap ng bawat Pilipino - mas maayos na buhay, at maipagmamalaking bansang Pilipinas.
- **Excellence**
Malaki man o maliit ang trabaho, palagi naming pinaghuusayang gawin ang mga ito.
- **Innovation**
We embrace change. We keep ourselves open to new ideas and fresh perspectives and look for better ways to deliver our output.
- **Teamwork**
Kami ay may pagkakaisa. Buo ang tiwala at suporta namin sa kapwa, at nagsusumikap kami tungo sa iisang layunin.
- **Malasakit**
Sa likod ng aming gawain ay mga tao at paniniwalang aming pinagmamalasakitan, kasama na ang layuning mapabuti ang buhay ng kapwa namin Pilipino
- **Integrity**
Tapat at may respeto kami sa mga nakakasama sa trabaho, dahil isinasapuso namin ang pagkakaroon ng konsensya at malasakit sa kapwa.

- **Humility**
Kami ay nagpapakumbaba at naniniwalang ang lahat, ano man ang posisyon sa kumpanya, ay may kakayahang paunlarin ang buhay ng mga Pilipino.
- **Community**
We partner with communities and ensure that we leave lasting positive social impact through our projects and initiatives.

The floor was opened for questions and comments from the shareholders. A shareholder, Ms. Teresa Abueg, noted that the shareholders who seconded motions made by other shareholders do not stand up and completely say, "I second the motion.", and instead, just say, "Second". The Chairman thanked Ms. Abueg for her comment and noted her observation. When asked if there were other questions and/or comments from the shareholders, no one came forward.

X. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned.

Certified Correct:

ALTHEA ISOBEL F. OAMINAL
Corporate Secretary

Attested by:

EDGAR B. SAAVEDRA
Chairman of the Board of Directors