



Engineering A First-world Philippines

FINANCIAL AND OPERATING HIGHLIGHTS

Full Year 2019 and 1st Quarter 2020
Unaudited Financial Results



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PRESENTATION OUTLINE

- **FY2019 and 1Q2020 Financial and Operating Results**
- **COVID-19 SITUATIONER**
- **Project Updates**

FY2019 CONSOLIDATED INCOME STATEMENT

In PhP M	FY2019	FY2018	YoY%	REMARKS
Total Revenues	19,787	15,992	24%	
Construction	15,214	12,688	20%	<i>Recovery on track</i>
Airport Operations	3,691	2,996	23%	<i>In line with expectations</i>
Airport Merchandising	326	290	13%	
Landport Operations	555	18	2983%	<i>Initial lease commencement</i>
Direct Costs	15,228	11,814	29%	
Construction	13,292	10,784	23%	<i>In line with revenue uplift / capacity constraints</i>
Airport Operations	1,537	942	63%	<i>Full year impact T2-related costs</i>
Airport Merchandising	88	70	25%	
Landport Operations	312	18	1633%	
Gross Profit	4,559	4,178	9%	
Other Operating Expenses	1,810	1,280	41%	<i>Full year impact T2-related costs</i>
Operating Profit	2,748	2,898	-5%	
Net Other Income (Charges)	-1,408	-511	175%	<i>Additional loan drawdowns*</i>
Profit before tax	1,340	2,387	-44%	
Tax Expense	296	493	-40%	<i>23% effective conso tax rate</i>
Income before Non Controlling Interest	1,044	1,894	-45%	
Non-Controlling Interest	252	425	-41%	
NIAT Attributable to MWIDE Equity Holders	792	1,469	-46%	

*Majority pertains to drawdowns made by Airport, Landport and Clark EPC.

1Q2020 CONSOLIDATED INCOME STATEMENT

In PhP M	1Q2020	1Q2019	YoY%	REMARKS
Total Revenues	5,063	3,565	42%	
Construction	3,908	2,568	52%	Recovery on track
Airport Operations	803	892	-10%	Due to travel bans
Airport Merchandising	65	85	-24%	
Landport Operations	287	20	1334%	Initial lease commencement of other towers
Direct Costs	3,760	2,577	46%	
Construction	3,319	2,172	53%	In line with revenue uplift / capacity constraints
Airport Operations	349	367	-5%	
Airport Merchandising	17	22	-23%	
Landport Operations	75	16	370%	
Gross Profit	1,303	988	32%	
Other Operating Expenses	407	257	58%	Ramp up of Landport operations
Operating Profit	896	731	23%	
Net Other Income (Charges)	-591	-282	110%	Additional loan drawdowns* and Airport's mtm IRS
Profit before tax	305	449	-32%	
Tax Expense	99	167	-41%	32% effective conso tax rate
Income before Non Controlling Interest	206	282	-27%	
Non-Controlling Interest	-27	55	-150%	
NIAT Attributable to MWIDE Equity Holders	233	227	3%	

MARGIN PERFORMANCE

In PhP M	1Q2020	FY 2019	FY 2018	FY 2017	REMARKS
Gross Profit Margin	26%	23%	26%	24%	
Construction	15%	13%	15%	16%	<i>Focus on L-T, high-value projects</i>
Airport Operations	57%	58%	69%	82%	<i>Lower revenue due to Int'l travel bans</i>
Airport Merchandising	75%	73%	76%	72%	
Terminal Operations	74%	44%	-	-	<i>Lease commencement</i>
EBITDA Margin	28%	24%	28%	23%	
Construction	17%	14%	17%	16%	<i>Revenue recovery on track</i>
Airport Operations*	59%	63%	70%	71%	<i>In line with the decrease in GP</i>
Airport Merchandising	38%	37%	43%	43%	
Terminal Operations	89%	19%	-	-	<i>In line with the increased operating profit</i>
Net Income Margin	4%	5%	12%	12%	
Construction	4%	3%	7%	7%	<i>Finance costs on loan drawdowns</i>
Airport Operations**	-11%	14%	31%	49%	<i>Full year Finance costs and D&A T2</i>
Airport Merchandising	26%	24%	34%	29%	
Terminal Operations	47%	-1%			<i>Lease commencement</i>

*Computed as operating income + depreciation and amortization expense

** Due to the impact of depreciation and amortization and financing charges of Airport operations

FINANCIAL POSITION

In PhP M	31-Mar-2020	31-Dec-19	31-Dec-18	Movement	% Change
Cash & Financial Assets	4,544	6,519	5,761	758	13%
Other Current Assets	29,313	28,982	19,029	9,952	52%
Total Current Assets	33,867	35,500	24,790	10,710	43%
Concession Assets	29,480	29,437	28,289	1,147	4%
Total Non Current Assets	45,799	45,299	41,115	4,183	10%
Total Assets	79,666	80,799	65,906	14,893	23%
Current Liabilities	26,947	28,090	16,565	11,525	70%
Non Current Liabilities	35,475	34,777	31,336	3,441	11%
Total Liabilities	62,422	62,867	47,902	14,966	31%
Equity	17,244	17,932	18,004	-73	0%

LIQUIDITY AND GEARING RATIOS

In PhP M	As of March 2020			As of December 2019		
	Parent*	GMCAC**	Conso	Parent*	GMCAC**	Conso
Cash/financial assets	1,561	1,117	4,554	3,592	1,169	6,519
Total Debt	18,691	24,289	46,882	19,573	24,278	47,753
Equity	11,573	9,233	17,354	12,233	9,322	17,932
D-E Ratio	1.62	2.63	2.70	1.60	2.60	2.66
Net D-E Ratio***	1.48	2.51	2.44	1.31	2.48	2.30
Interest Coverage Ratio	1.61	0.88	1.53	1.75	1.75	1.66

* Gross D-E covenant 2.33X under Parent level

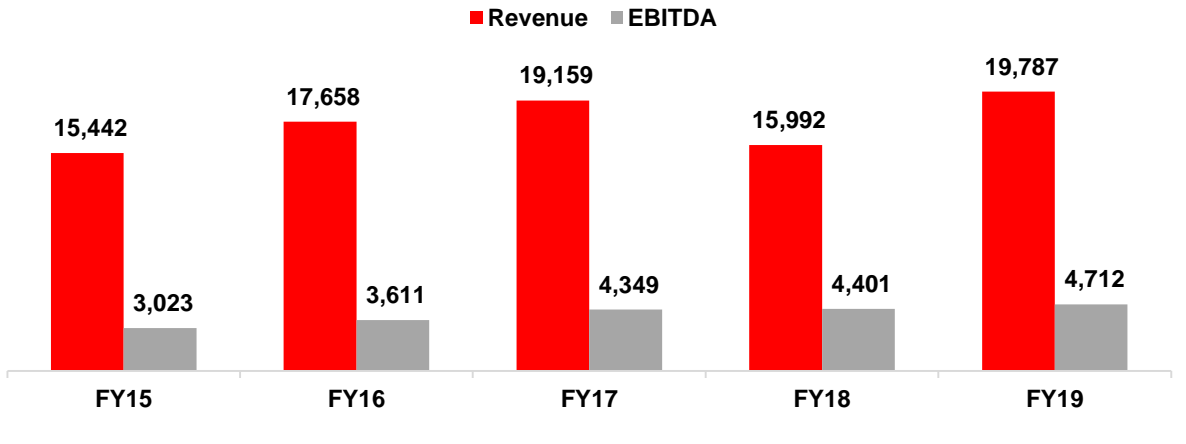
** Under project finance/ with separate D/E computation as agreed with the lenders

*** Net debt: FY19 – P41.2B

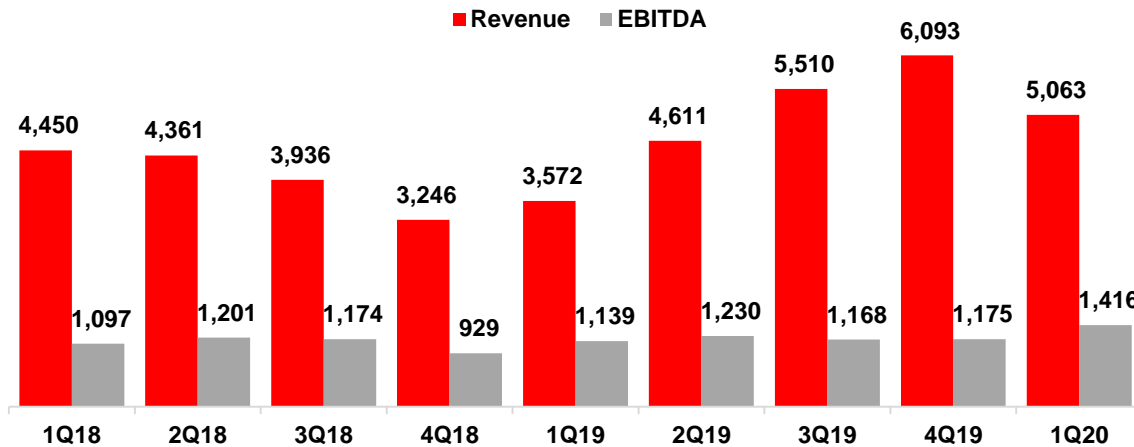
*** Net debt: 1Q20 – P42.3B

FINANCIAL HIGHLIGHTS

ANNUAL PERFORMANCE (PhP M)



QUARTERLY PERFORMANCE (PhP M)

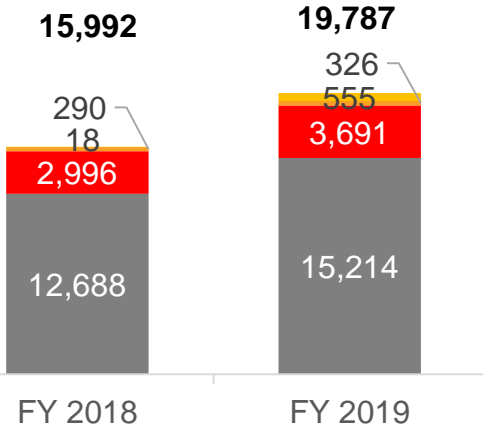


- 2019 rebound year for construction segment
- QonQ: Construction cyclicity smoothed out by Airport EBITDA contribution
- Strong EBITDA growth past 5 years
- Landport gaining traction; 3rd leg with recurring EBITDA

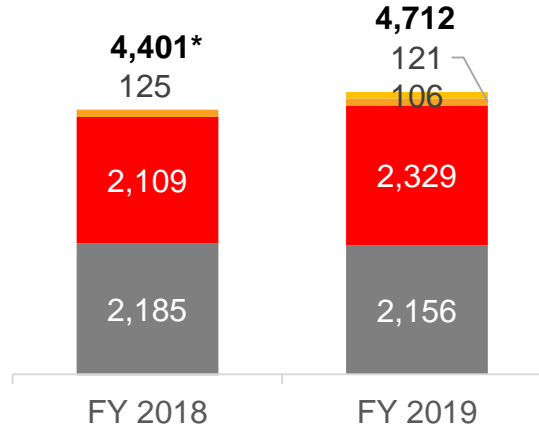
FINANCIAL HIGHLIGHTS FY2019

PERFORMANCE

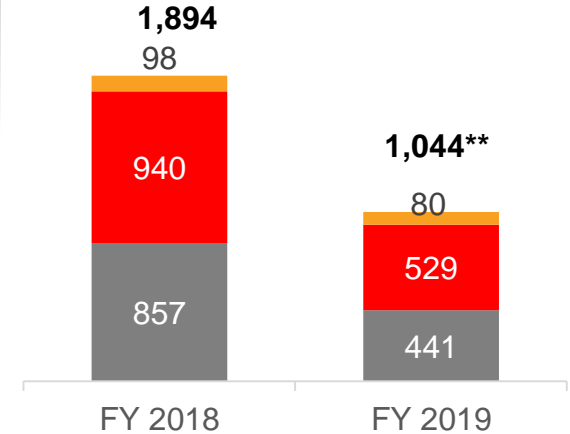
REVENUE (PhP M)



EBITDA (PhP M)

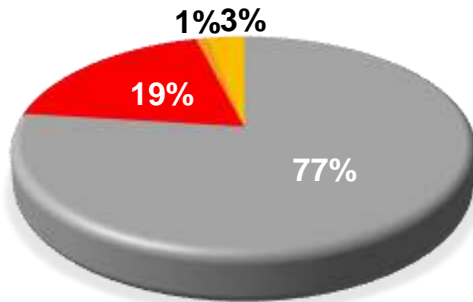


NET INCOME (PhP M)

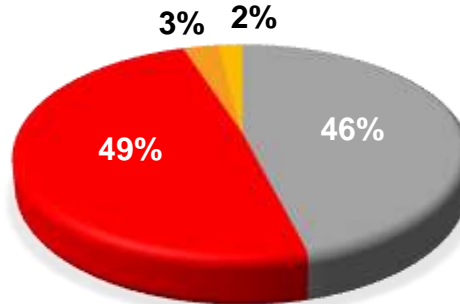


FY2019 BREAKDOWN

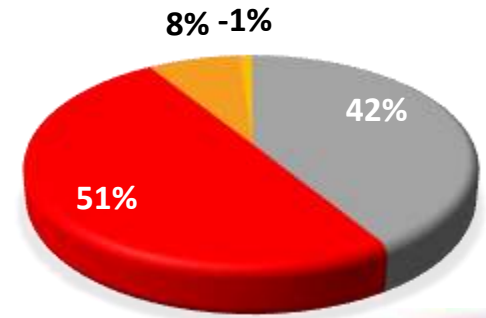
REVENUE



EBITDA



NET INCOME



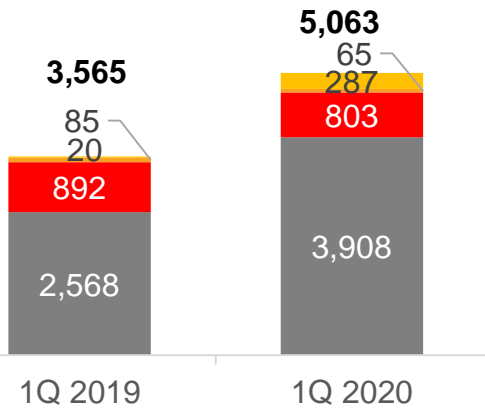
■ Construction ■ Airport ■ Merchandising ■ Landport

10 *includes -18M EBITDA from Landport operation
 **includes 6M net loss from Landport operation

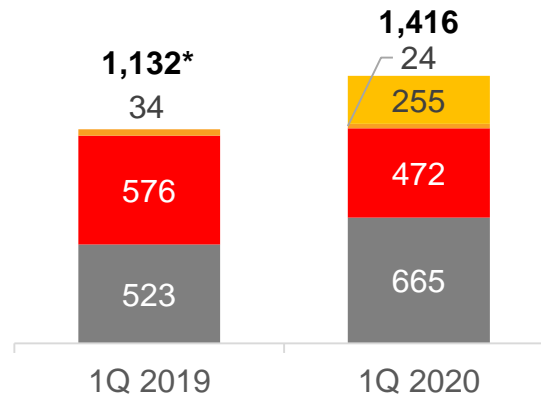
FINANCIAL HIGHLIGHTS 1Q2020

PERFORMANCE

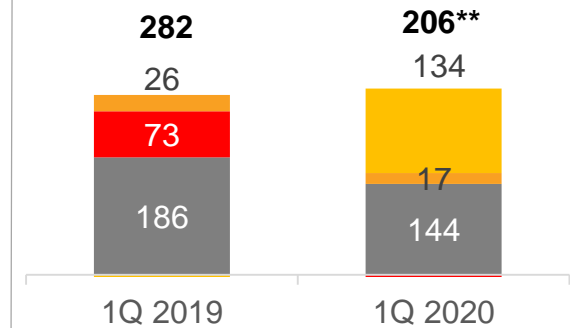
REVENUE (PhP M)



EBITDA (PhP M)

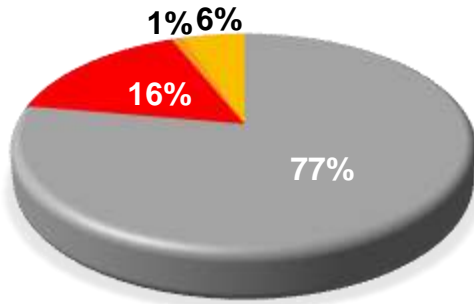


NET INCOME (PhP M)

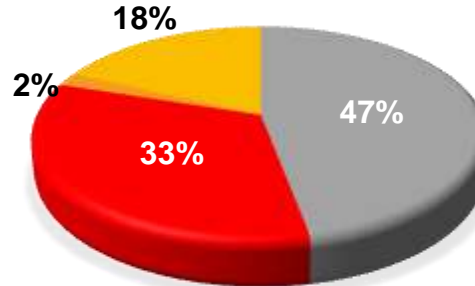


1Q2020 BREAKDOWN

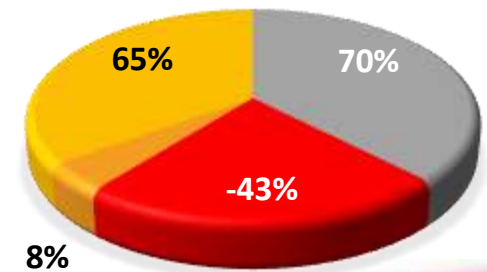
REVENUE



EBITDA



NET INCOME



Construction
 Airport
 Merchandising
 Landport

11 *includes -1M EBITDA from Landport operation
 **includes 89M net loss from Airport operation

1 Engineering, Procurement, and Construction (EPC)



RECOVERY IN MOTION

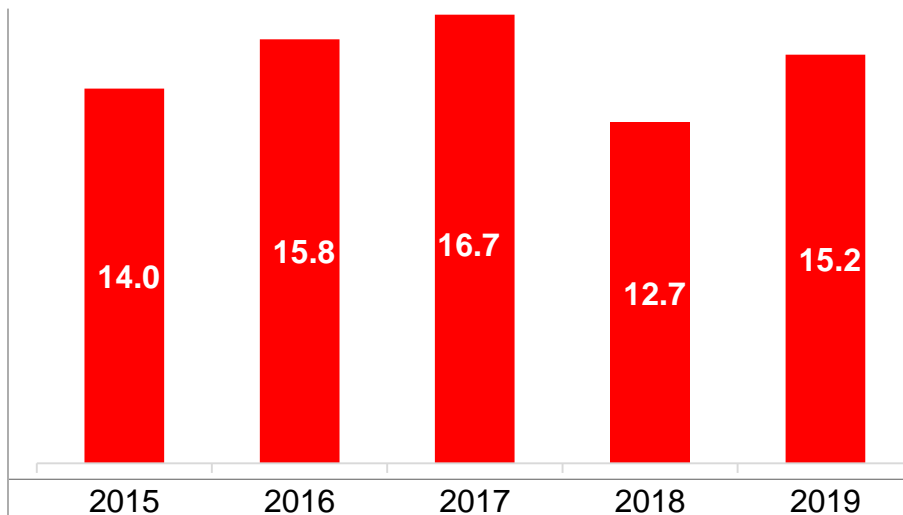


CONSTRUCTION REVENUES

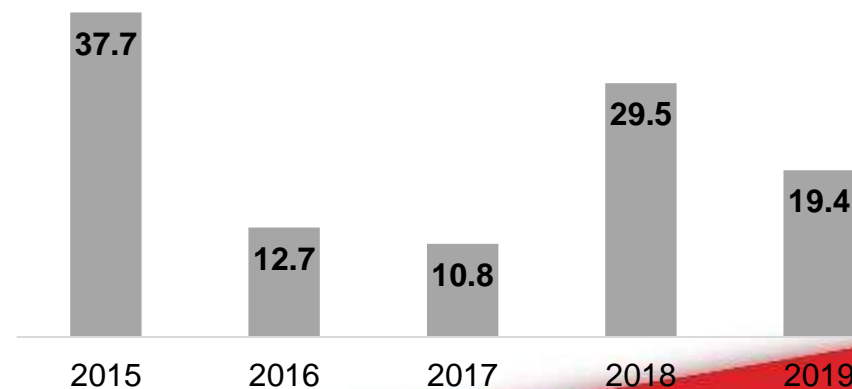


- EPC strong rebound in 2019
- New contracts continue to expand order book

REVENUES (PhP B)



NEW CONTRACTS (PhP B)

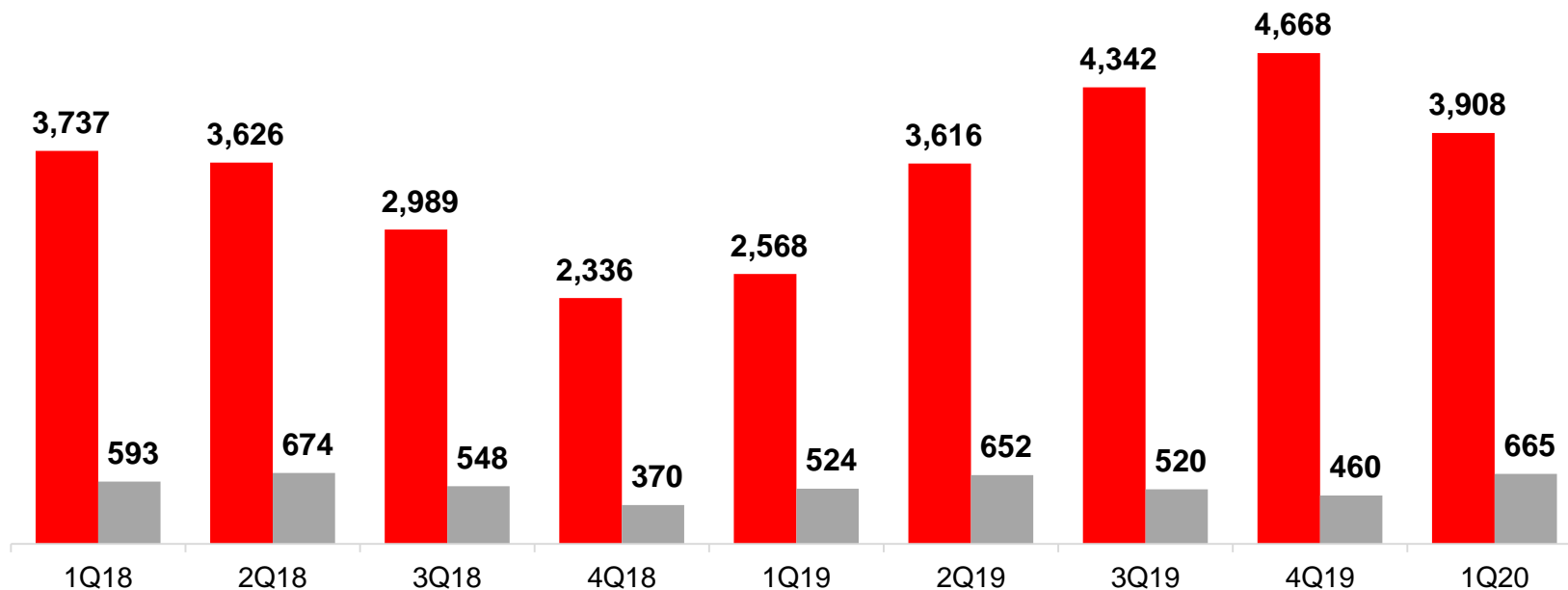


RECOVERY IN MOTION



QUARTERLY PERFORMANCE (PhP M)

■ Revenue ■ EBITDA



HEALTHY ORDER BOOK (FY2019)



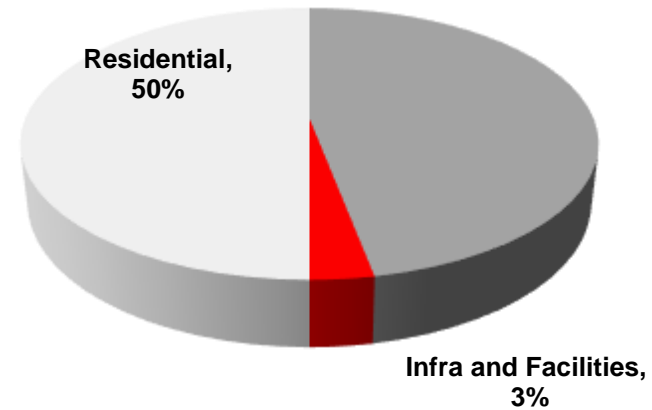
Order backlog
> 2-3 years



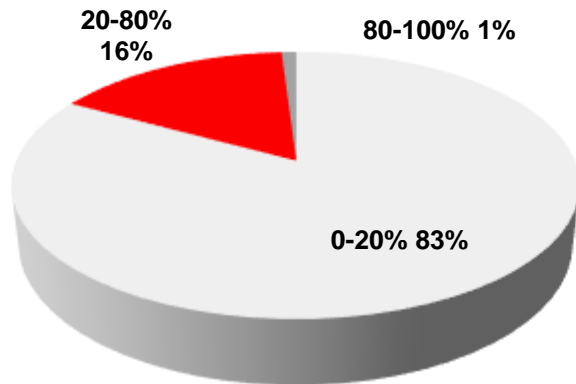
P52B
Order book
30 Projects

SEGMENT

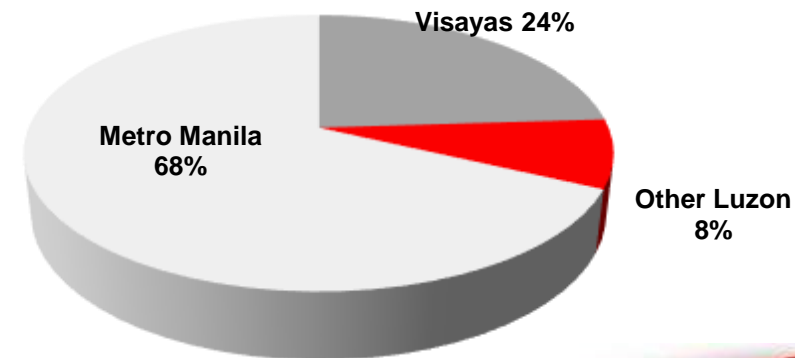
Office, Commercial and Industrial, 47%



% COMPLETION



AREA



83% of orderbook is in the 1st Trimester of Project completion, expected to contribute to revenue in succeeding periods.

EMERGING GROWTH SEGMENT (FY2019)



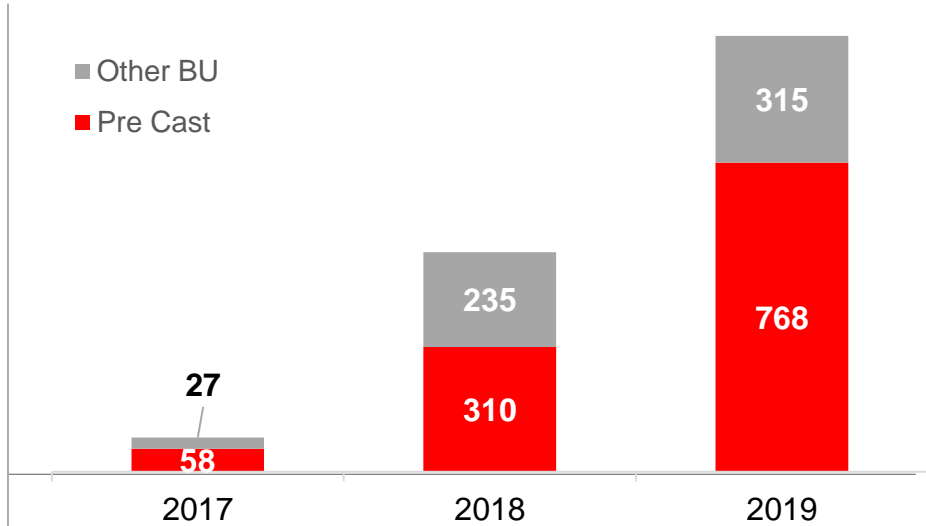
PRE-CAST SALES



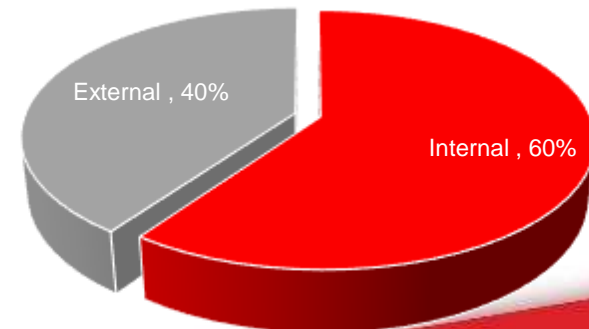
147%
P768M

- Pre-cast sales record year in 2019, 2.5x revenues in 2018
- 40% External customer sales
- Other BU contributing P315M from equipment and formworks rentals

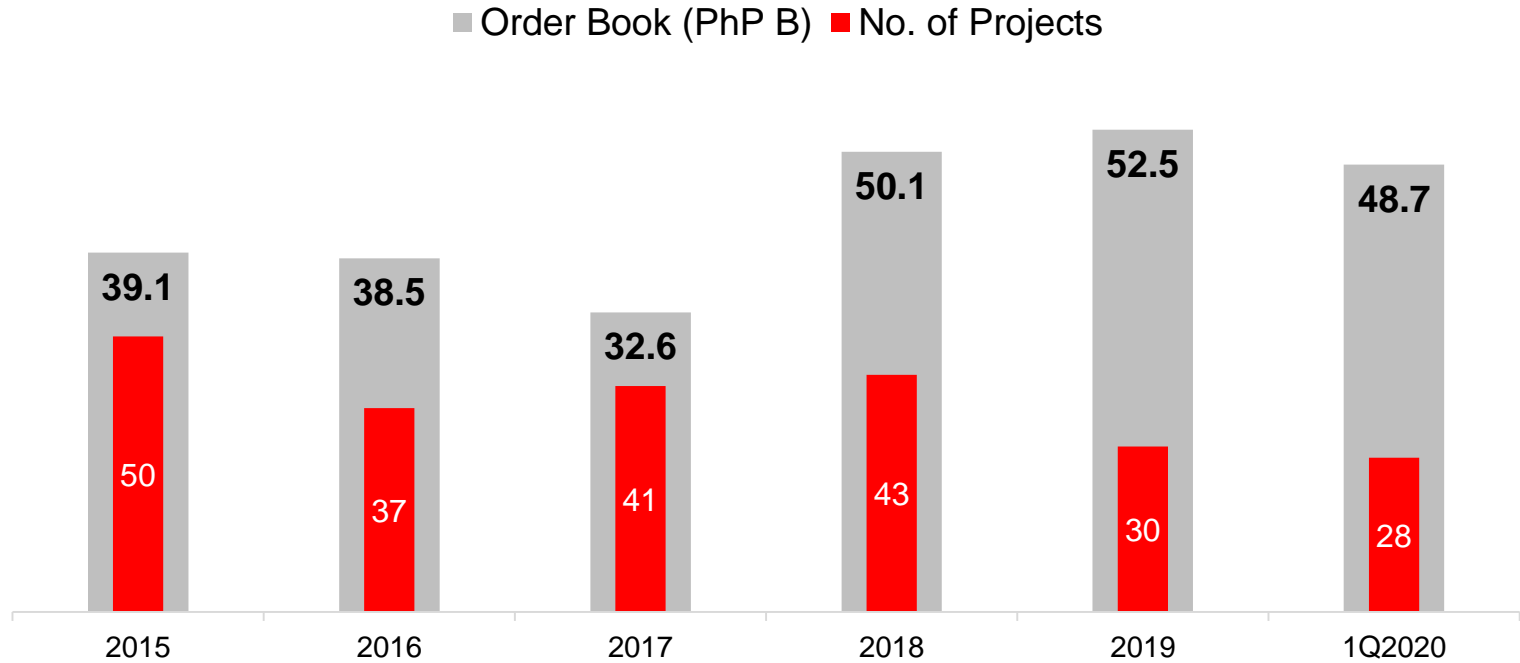
BU REVENUES FROM EXTERNAL (PhP M)



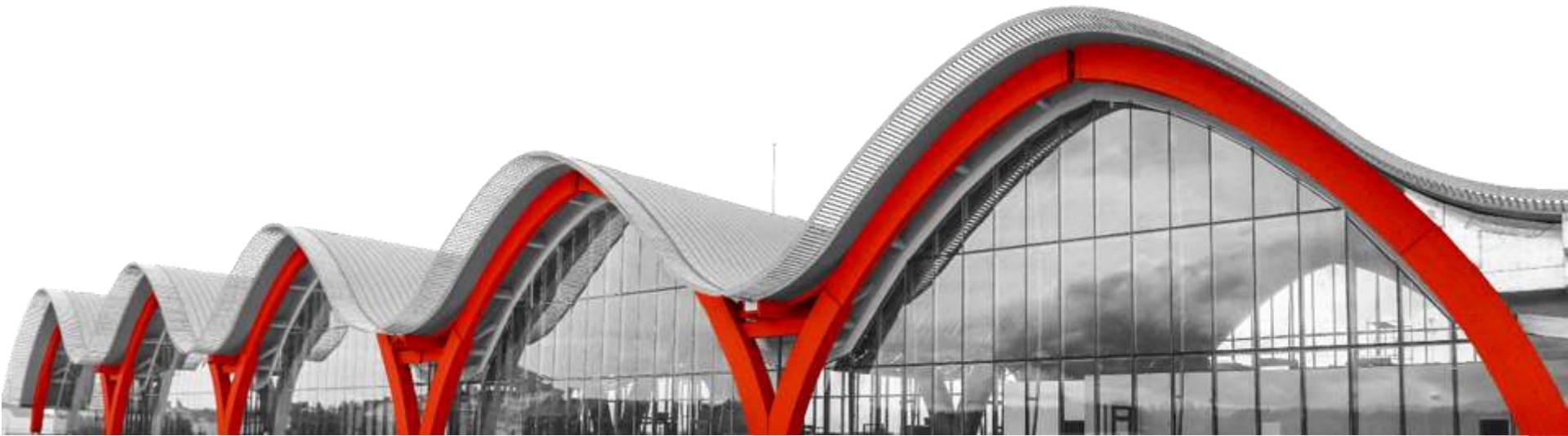
Precast Sales Mix FY2019



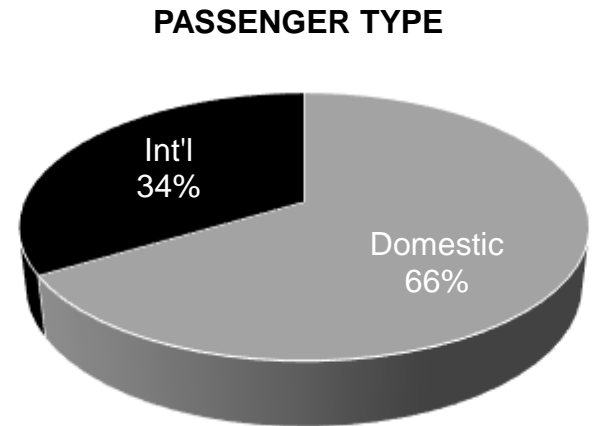
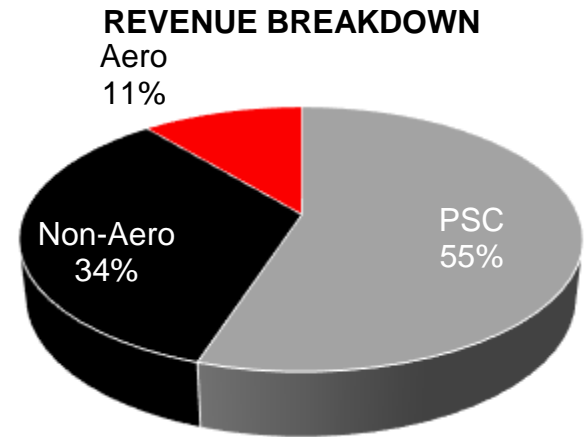
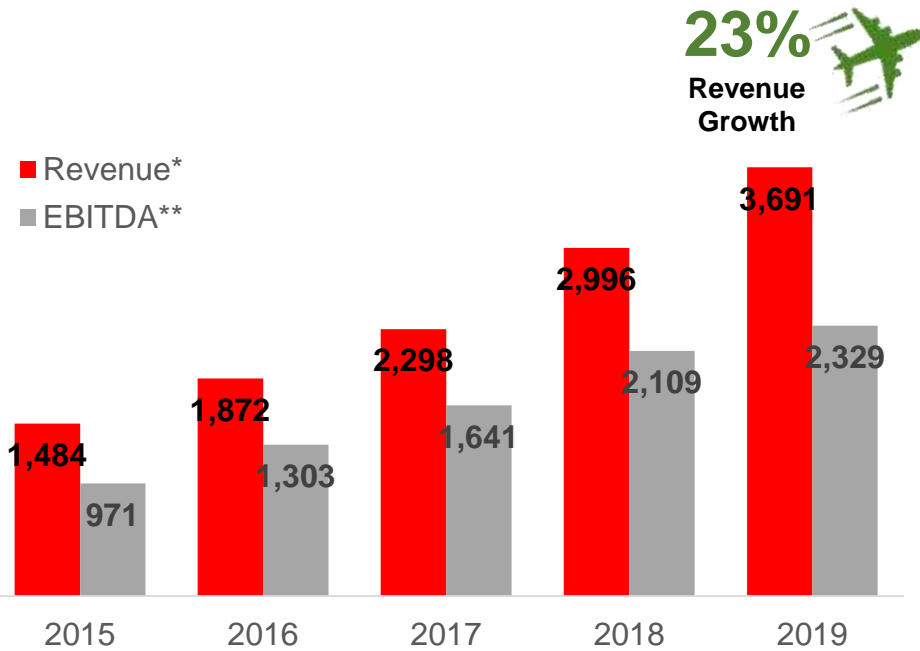
HEALTHY ORDER BOOK (1Q2020)



2 Airport Business Segment



FY2019: BUILDING MOMENTUM



* Excludes airport merchandising revenues FY19 of PhP 326M

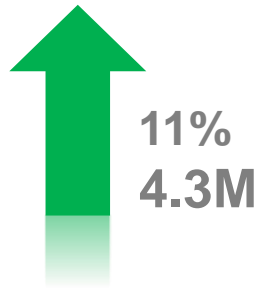
** Computed as Operating income + depreciation and amortization expense

PSC: SUSTAINED PASSENGER GROWTH

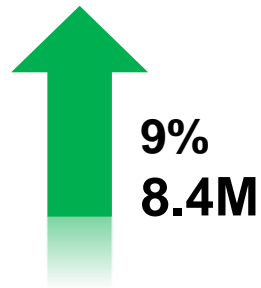


PASSENGER VOLUME

INTERNATIONAL



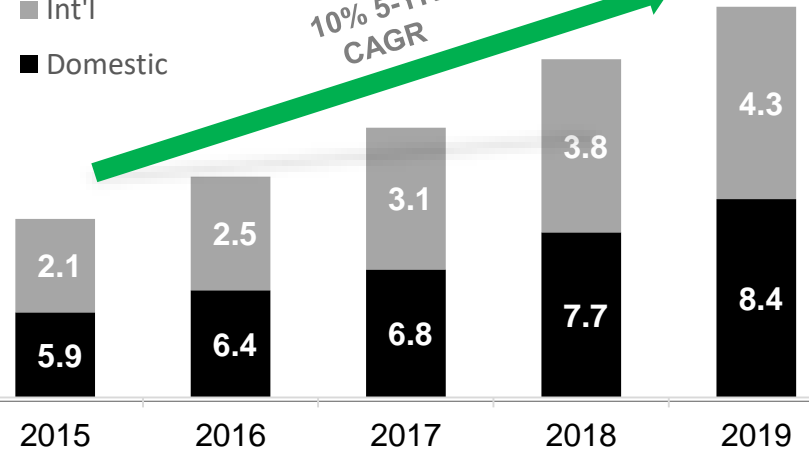
DOMESTIC



PASSENGER VOLUME (millions)

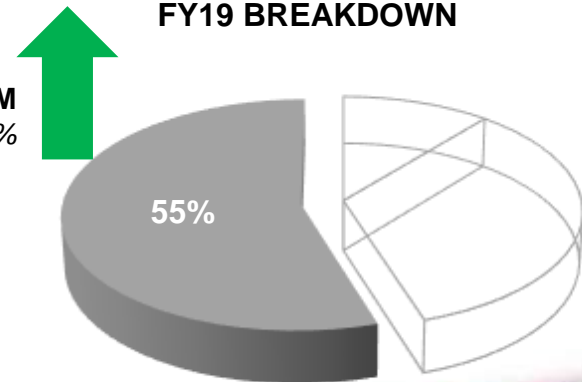
■ Int'l
■ Domestic

10% 5-YR
CAGR



FY19 BREAKDOWN

P2.02M
22%



AERO: NEW FLIGHTS, INCREASED FREQUENCIES



AIR TRAFFIC MOVEMENT

INTERNATIONAL



2014: 7 destinations
2019: 25 destinations



12%
28.4K

2014: 23 destinations
2019: 25 destinations

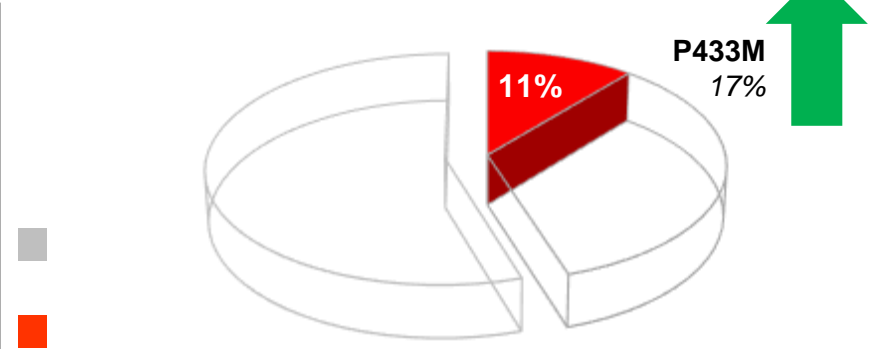


4%
77.3K

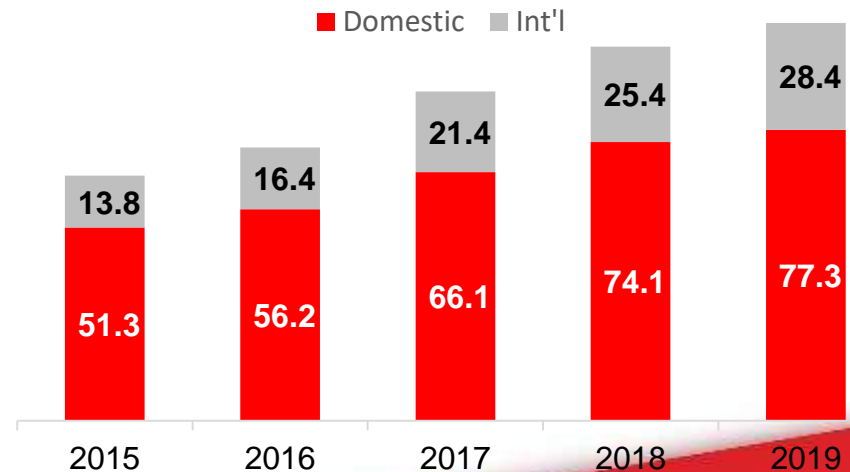
DOMESTIC



FY19 BREAKDOWN



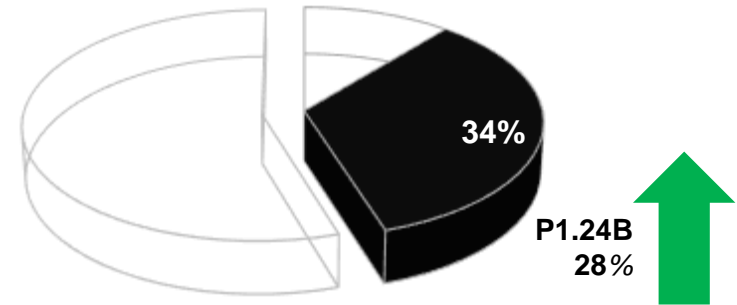
AIR TRAFFIC ('000)



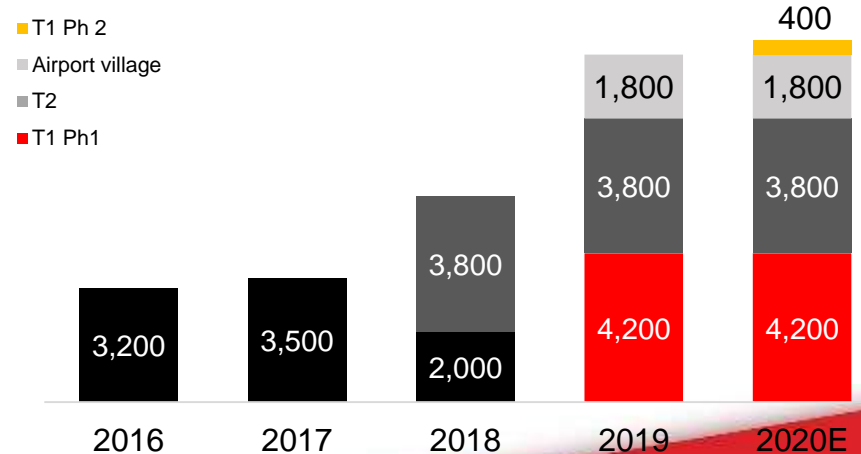
NON-AERO: EXPANDING SPACE AND OFFERINGS



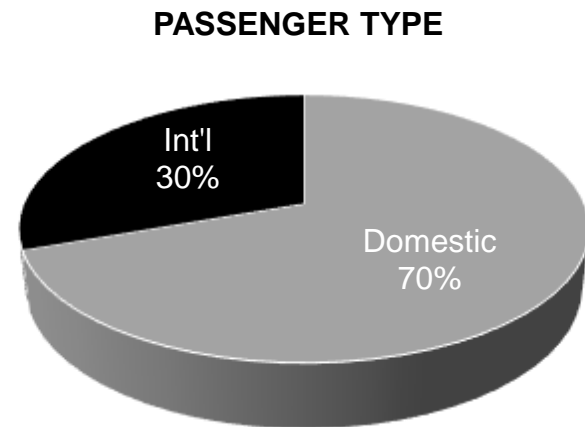
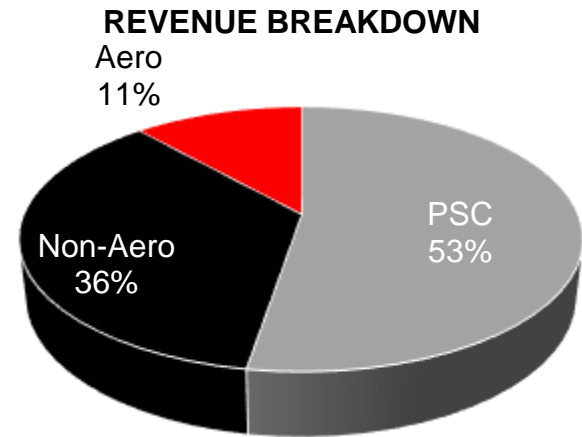
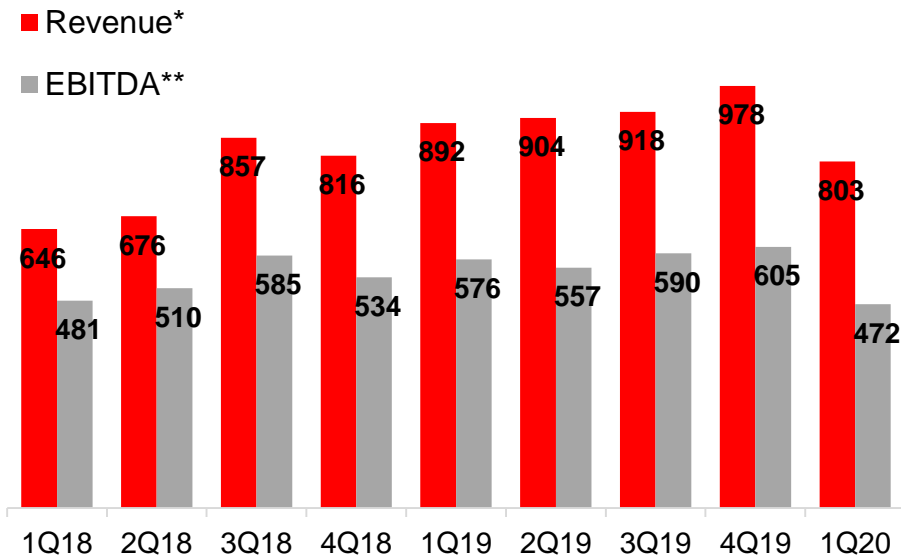
FY19 BREAKDOWN



COMMERCIAL GLA (sqms)



1Q2020: COVID-19 IMPACT



* Excludes airport merchandising revenues

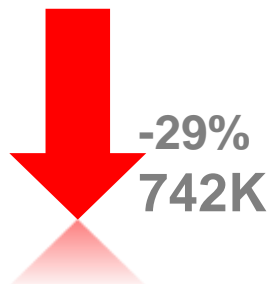
** Computed as Operating income + depreciation and amortization expense

PSC: SLOWER PASSENGER TRAFFIC

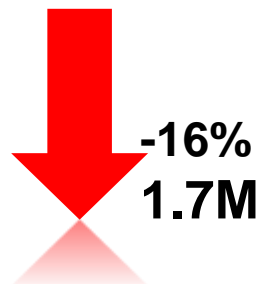


PASSENGER VOLUME

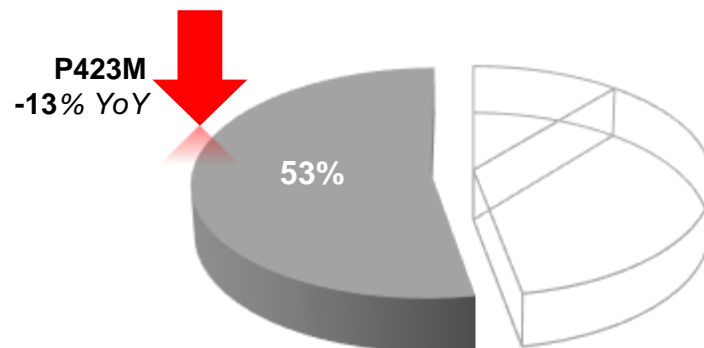
INTERNATIONAL



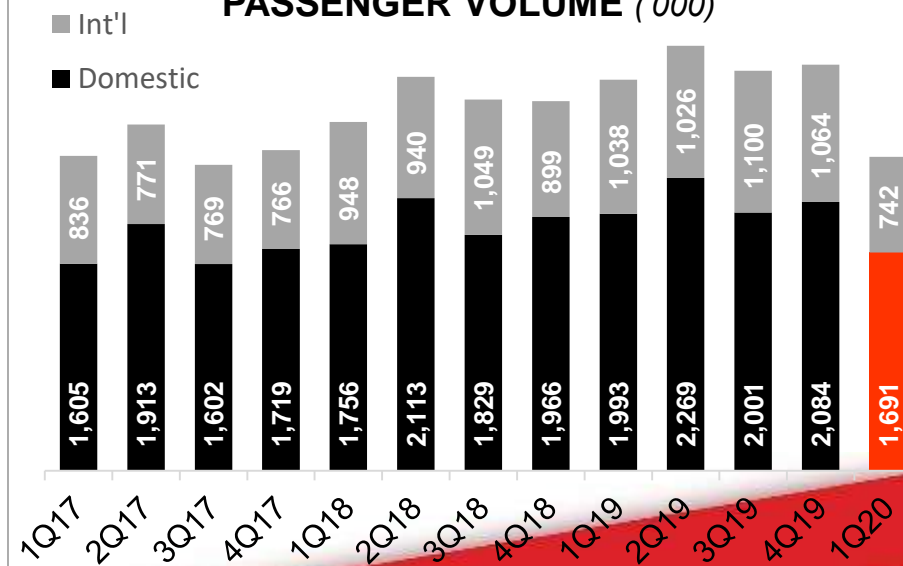
DOMESTIC



1Q2020 BREAKDOWN



PASSENGER VOLUME ('000)

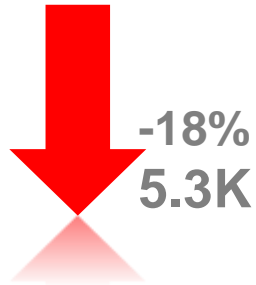


AERO: TRAVELS RESTRICTED



AIR TRAFFIC MOVEMENT

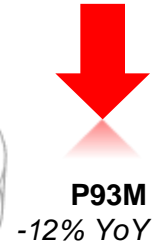
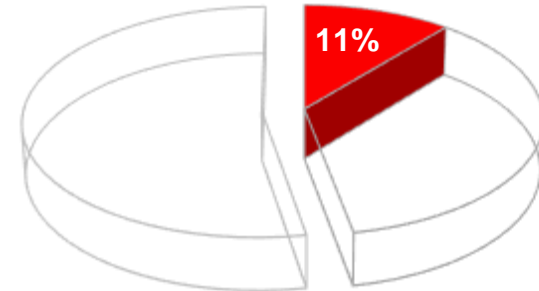
INTERNATIONAL



DOMESTIC

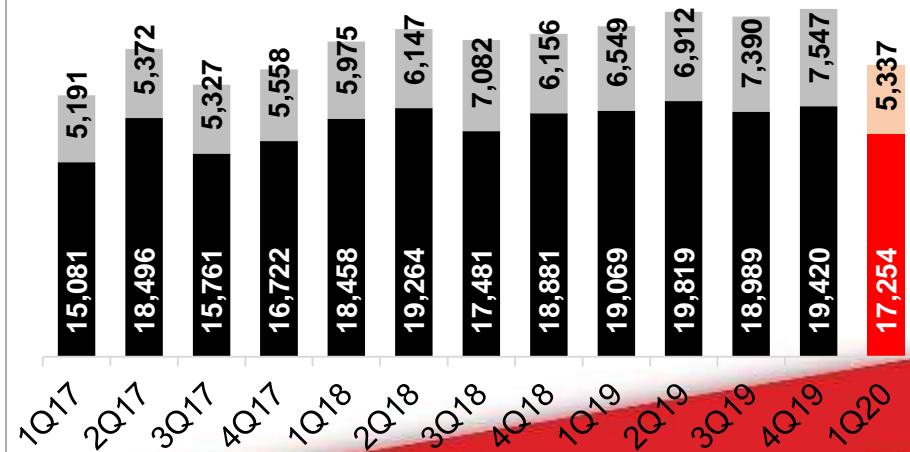


1Q2020 BREAKDOWN



AIR TRAFFIC

■ Int'l
■ Domestic



NON-AERO: EXPANDING SHARE



NEW SHOPS AT TERMINAL 2



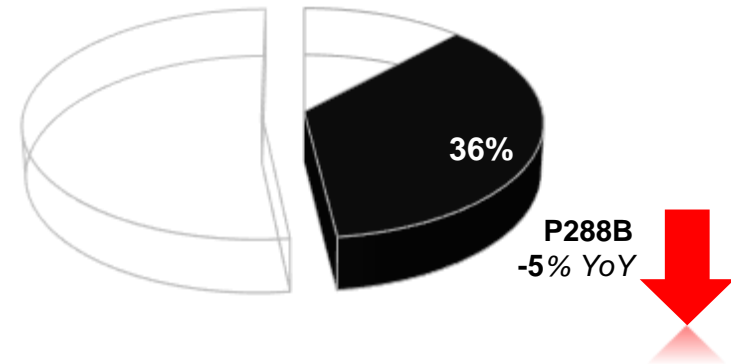
T1 RENOVATION (PHASE 1)



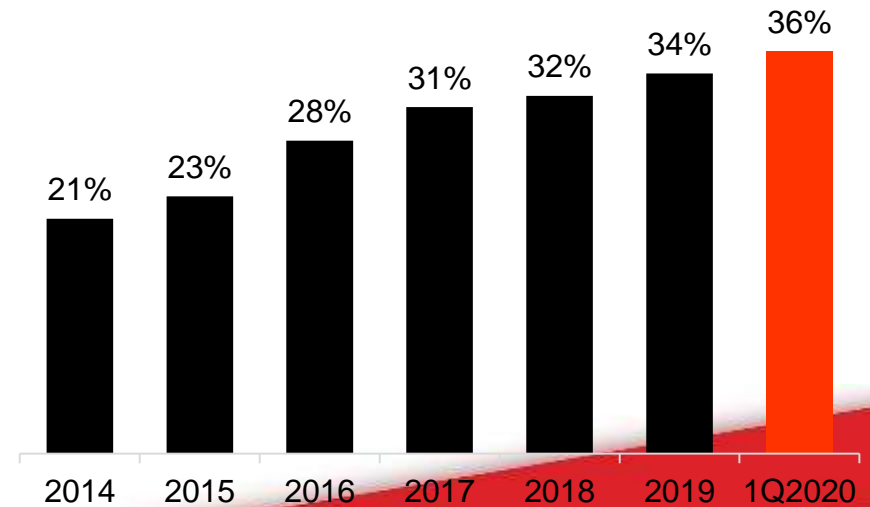
AIRPORT VILLAGE



1Q2020 BREAKDOWN



NON-AERO SHARE TO TOTAL



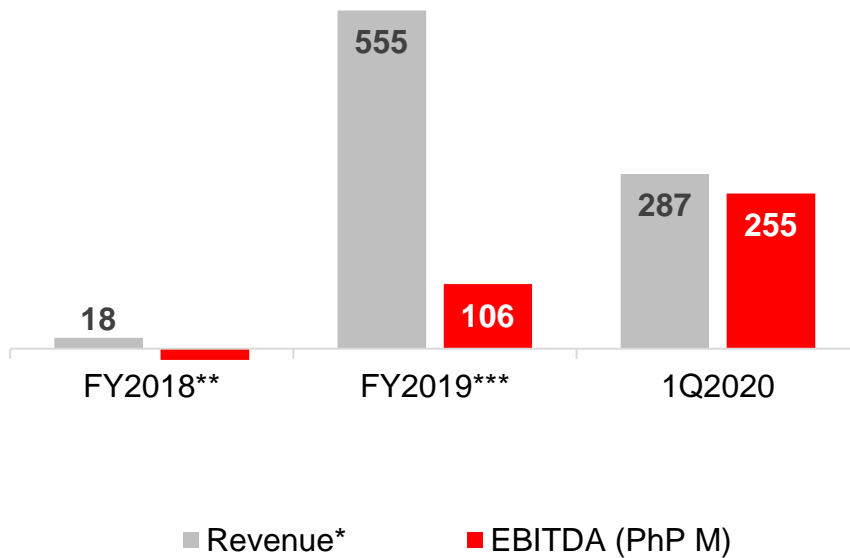
3 Integrated Transport Exchange Business Segment



INITIAL CONTRIBUTION



FY19 & 1Q20 PERFORMANCE

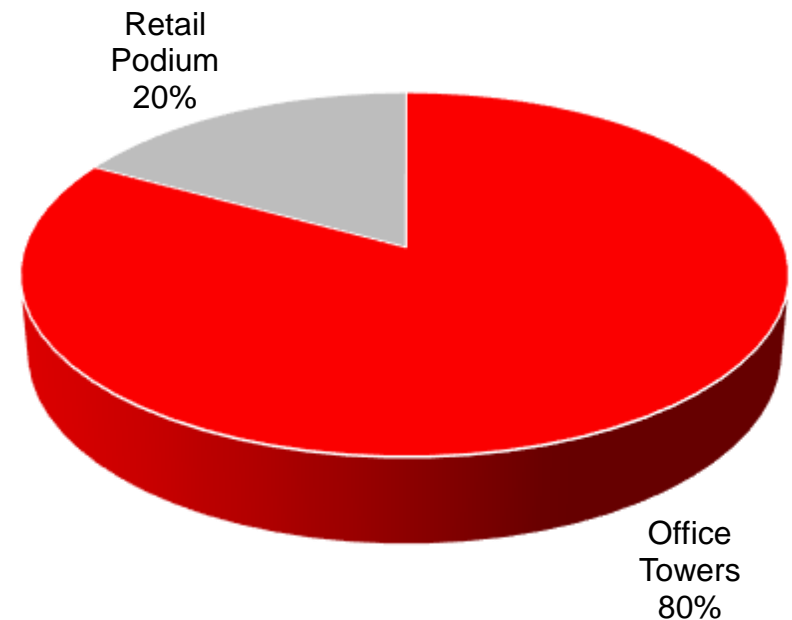


* Includes PAS 17 adjustment

**Nov 2018 – start of operations

***Oct 2019 – initial lease commencement

2019 LEASING REVENUE BREAKDOWN



PAS 17 (Leases) – requires the lessor to recognize lease income over the lease term on a straight-line basis (including rent-free periods).

GAINING TRACTION



OFFICE (72K sqms)

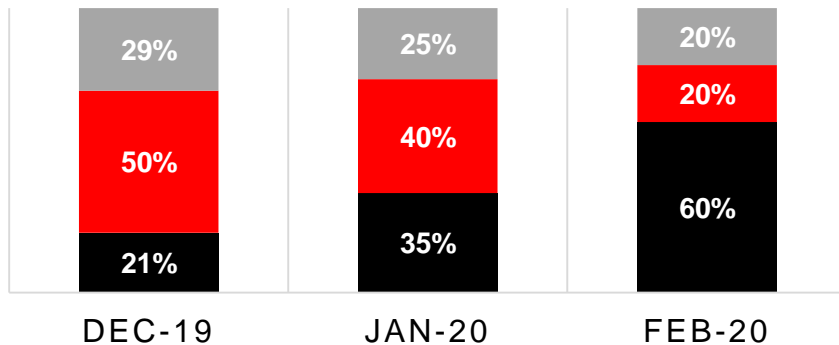
- 100% leased out
- P1,000/sqm/month



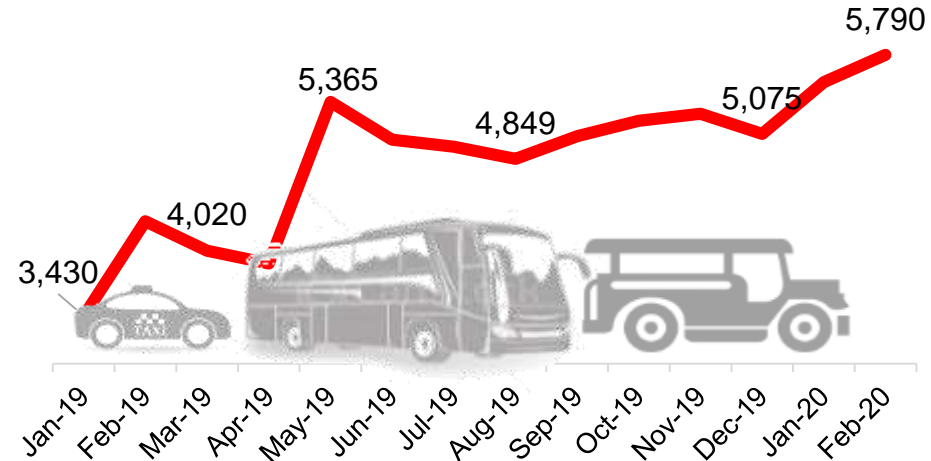
RETAIL (12K sqms)

- 80% leased out
- 60% operational
- P1,200/sqm/month (ave)

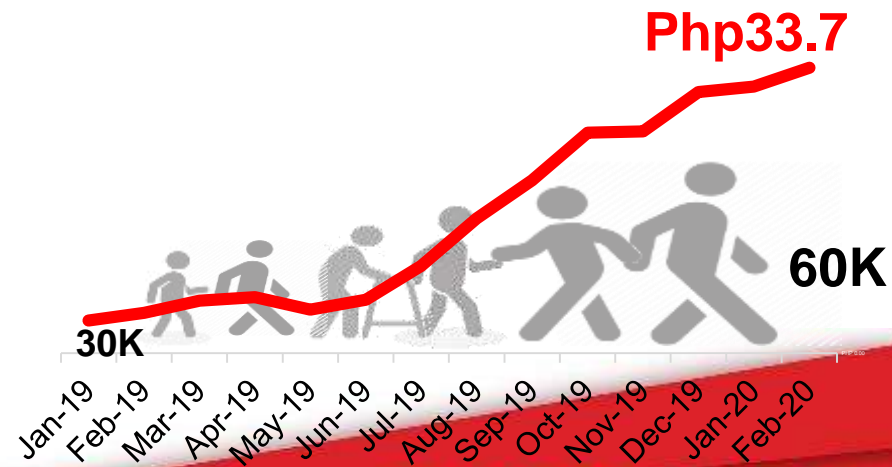
■ Operational ■ Leased out ■ Under nego



AVERAGE DAILY TRIPS*



AVERAGE PASSENGER FOOT TRAFFIC vs SPP (PHP)



COVID-19 SITUATIONER

COVID-19 IMPACT (BASE CASE SCENARIO)

ECQ effective March 16-May 15, 2020:



CONSTRUCTION

- Operations temporarily suspended
- Prioritize employees; Implement anti-COVID 19 protocol in all facilities and offices
- Cash management / Contract Cost Review



AIRPORT

- Luzon lockdown and travel bans to affect passenger traffic
- Reduction in operating expenses to optimize resources
- Discussion on deferral of debt servicing for 2020



LANDPORT

- Office: deferred collection for 1 month
- Retail: lower passenger traffic
- Terminal operations only for medical frontliners

MECQ effective May 15, gradual return to NEW NORMAL:

- Slow ramp-up of productivity (*supply chain, labor availability*)
- Opportunities in infrastructure development (*rail, subway, health care facilities*)
- Megawide advantage as fully-integrated and largest pre-cast capacity
- July-Dec ramp up of passenger volume
- 18-24 month recovery
- Domestic-led growth as COVID cases concentrated in NCR
- Office: POGO business as usual
- Retail: slow recovery due to ramp up in passenger volume
- Terminal: Protocol review for contactless transport system

PROJECT UPDATES

CLARK INTERNATIONAL AIRPORT (*Hybrid PPP*)

Engineering Procurement & Construction

- **Scope:** Construction of new building terminal to accommodate 8 mppa (96% complete December 2019)
- **Contract Cost:** P9.36 Billion
- **Structure:** Hybrid PPP; Build-Transfer (BT)
- **Proponent:** 50-50% JV with GMR
- **Construction Period:** May 2018 – May 2020
- **Payment Terms** (based on three milestones):
 1. shell of the new building terminal
 2. landside facilities
 3. remaining balance of work



MCIA TESTING FACILITY

COVID RESPONSE

- **Scope:** Construction of COVID19 Testing Facility (to be certified by the DOH/RITM)
- **Contract Cost:**
- **Structure:** JV with Cebu City LGU (unsolicited proposal)
- **Proponent:** GMCAC (GMR-Megawide)
- **Development timetable:** 30 days



MORE COVID-19 LABS. National Task Force against Covid-19 is setting up more laboratories in Cebu to increase testing capacity to 10,000/day.



SCANNING. Scanners at the Mactan Cebu International Airport check temperatures of arriving passengers. File photo by Gelo Litonjua/Rappler

MALOLOS-CLARK RAILWAY PROJECT

Engineering Procurement & Construction

- **Scope:** Phase 2, Package 1: covers civil works for 17 kilometers of PNR Clark, including Calumpit and Apalit Stations.
- **Contract Cost:** P25B
- **Structure:** EPC
- **Proponent:** Consortium with Hyundai Engineering and Dong Ah Construction (35% share Megawide)
- **Construction Period:** ~ 4 years



CARBON MARKET REDEVELOPMENT

Original Proponent Status

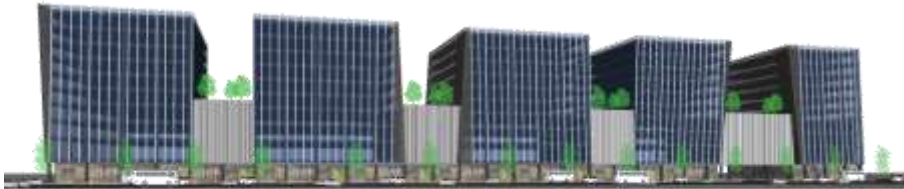
- **Scope:** Remake of Carbon Market
 - *Phase 1:* New public market including, night market, and other commercial establishments, transport and ferry terminals, new Sto. Nino Park and chapel
 - *Phase 2:* Potential mixed-use development (hotel, MICE, retail, etc.)
- **Contract Cost:** P3Bn (Phase 1 only)
- **Structure:** JV with Cebu City LGU (unsolicited proposal)
- **Proponent:** Megawide and Cebu City LGU (JV)
- **Development timetable:** ~ 4 years



PITX LOT 2 DEVELOPMENT

Design, development and O&M

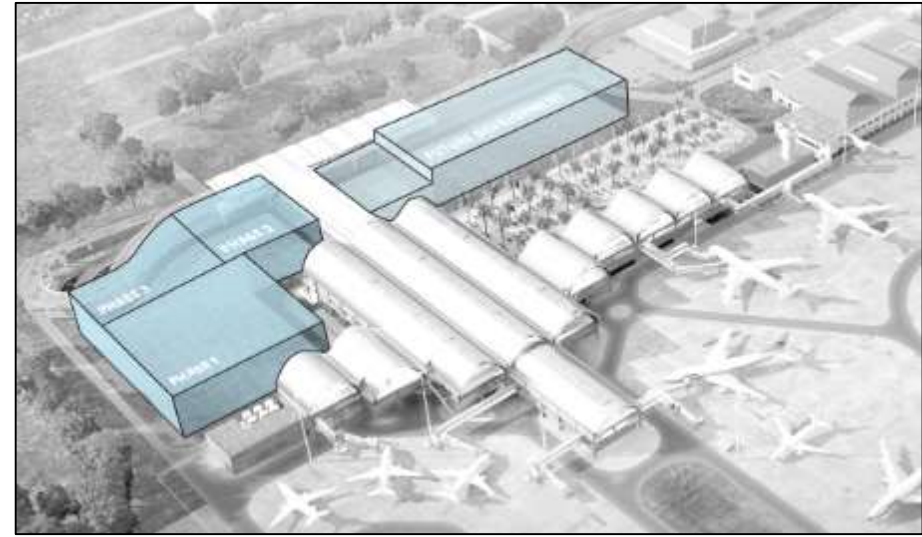
- **Location:** 1.8 hectare lot adjacent to existing PITX
- **Estimated Project Cost:** ~P5Bn
- **Four-tower commercial/office complex and Bus staging area**
 - ~70K sqms GLA (office)
 - ~12K sqms GLA (retail)
- **Possible Tenant Mix**
 - BPO/traditional offices
 - Mini-logistics hub (i.e. Zalora, Lazada, etc.)
- **Development timetable:** 1-2 years



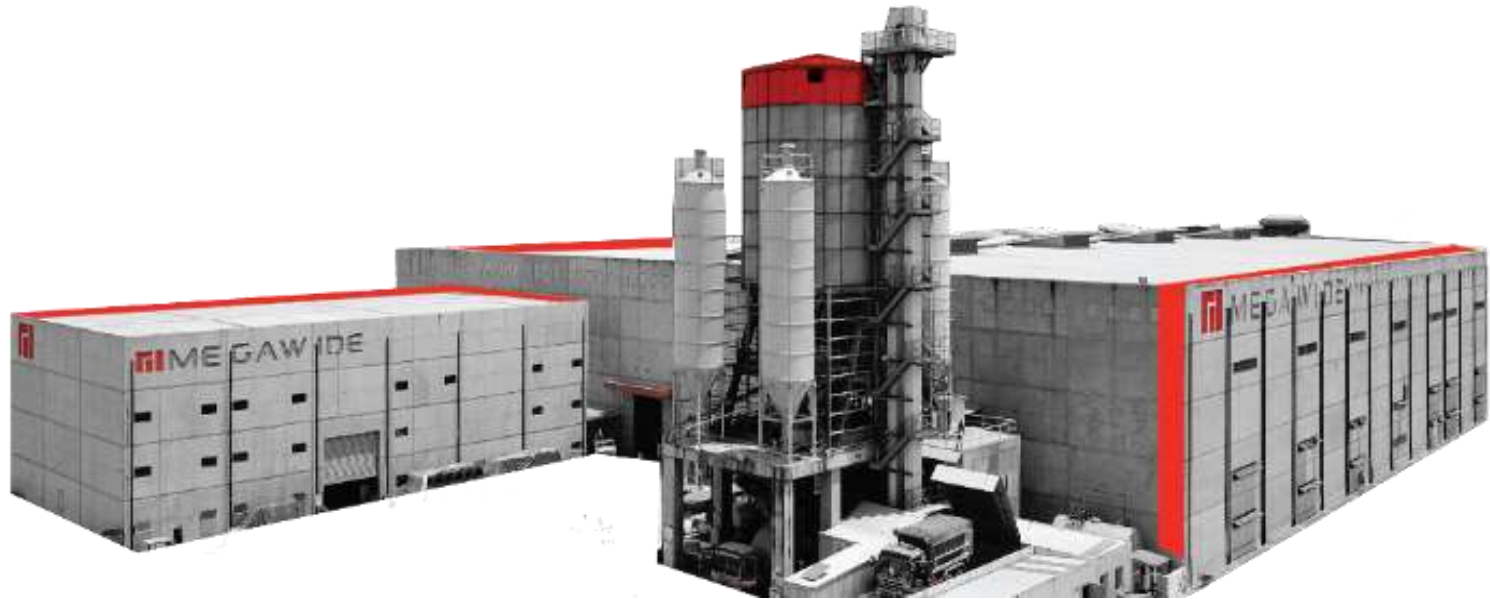
MCIA MIXED-USE DEVELOPMENT

EPC / Foreign Brand Hotel Operations

- **Scope: Hotel complex**
 - ~400 guest rooms
 - International hotel chain brand
- **Commercial area**
 - Travel retail mall concept
 - Follow airport and hotel “look-and-feel”
- **Total area for dev’t: 4.5 Hectares**
- **Concept: complimentary mixed-use**
- **Development timetable: 2-3 years**



PRE-CAST CAPACITY BUILD UP



Pre-Cast Plant Capacity *(cu m/month)*

Existing	9,900
Plan (2019)	2,922
Plan (2020)	6,948
Total	19,770

- To double existing capacity to almost 20,000 cu m/month

 **MEGAWIDE**