

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF
MEGAWIDE CONSTRUCTION CORPORATION
HELD ON JUNE 30, 2014
AT ITS PRINCIPAL OFFICE

PRESENT:	NO. OF SHARES
Citicore Holdings Investment, Inc. <i>(by proxy)</i>	936,933,735
Sybase Equity Investments Corp. <i>(by proxy)</i>	253,500,000
BDO Sec. Corp. (PCD: Fao Sybase Equity) <i>(by proxy)</i>	28,924,350
Lucky Sec., Inc. (PCD) <i>(by proxy)</i>	7,241,650
Deutsche Bank – PCD <i>(by proxy)</i>	2,525,530
Citibank (PCD) <i>(by proxy)</i>	1,164,300
Deutsche Bank – PCD <i>(by proxy)</i>	1,610,537
Citibank (PCD) <i>(by proxy)</i>	783,770
Citibank (PCD) <i>(by proxy)</i>	96,360
Ramoncito Nonato	20,000
Pacifico Silla	13,000
Grace Q. Bay	10,378
Josefina Khaw	10,000
Rogelio Gan	6,760
Josie Cheng	6,000
Meling Dy	6,000
Baldwin Yu	5,472
Joyce M. Briones	5,308
Jovito Co	3,900
Chay Kian Co	3,380
Gaudencio Cabingan	3,250
Elena Caw	3,000
Rommel Songco	2,100
Jose Ong, Jr.	2,040
Rudolfo Alday	1,720
Maximino Pastrana	1,000
Lolita Monte	500
Jennifer dela Cruz	260
Valeriano Plantilla	208
Guillermo Gili, Jr.	169

Florentino A. Tuason, Jr.	169
Emilio dela Cruz	130
Angelita Gan	130
Grace Q. Bay (by proxy)	100
Joyce M. Briones (by proxy)	100
Edward Barja	39
No. of Shares present or represented by proxy	1,232,885,345
No. of Outstanding Shares	1,649,426,127

ALSO PRESENT:

Michael Cosiquien
Edgar Saavedra
Yerik Cosiquien
Elizabeth Anne Uychaco
Leonilo Coronel
Leonor Briones
Oliver Tan
Louie Ferrer

I. CALL TO ORDER / NOTICE AND QUORUM

After ascertaining the presence of a quorum, the Chairman, Engr. Michael Cosiquien, called the meeting to order. The Corporate Secretary, Atty. Florentino A. Tuason, Jr. recorded the minutes.

II. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON JUNE 26, 2013

On motion duly seconded, the Minutes of the June 26, 2013 Annual Stockholders' Meeting was approved as presented.

III. CHAIRMAN'S ADDRESS

The Chairman delivered his address, a copy of which is made an integral part of the Minutes.

IV. PRESIDENT'S REPORT

The President verbalized the President's Report, a copy of which is made an integral part of the Minutes.

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

The Chairman stated that the next item in the Agenda is the ratification of all acts of Management and the Board of Directors. After some discussion, on motion duly seconded, the stockholders approved the following resolution:

“RESOLVED, that all acts of Management and the Board of Directors as reported by the President in the Annual Stockholders' Meeting held on June 30, 2014 and stated in the Information Statement duly distributed to the stockholders be ratified.”

VI. ELECTION OF DIRECTORS

The following were nominated and unanimously elected to the Board of Directors:

Michael Cosiquien
Edgar Saavedra
Yerik Cosiquien
Elizabeth Anne Uychaco
Florentino A. Tuason, Jr.
Leonor Briones (independent director)
Leonilo Coronel (independent director)

VII. APPROVAL OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

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

“RESOLVED, that the 2013 Audited Financial Statements is approved as presented.”

VIII. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman stated that the next item in the Agenda is the appointment of an independent auditor. Upon the recommendation of the Audit Committee, it is proposed that Punongbayan & Araullo be appointed as external auditors for the ensuing year. On motion duly seconded, the stockholders approved the appointment of Punongbayan & Araullo as external auditors.

IX. AMENDMENT OF ARTICLES OF INCORPORATION AND BY-LAWS TO INCLUDE THE POWER TO EXTEND CORPORATE GUARANTEES TO SUBSIDIARIES AND AFFILIATES FOR BUSINESS PURPOSES

The Chairman discussed that there is a proposal to amend the Articles of Incorporation and By-Laws to include the power to extend corporate guarantees to subsidiaries and affiliates of the Corporation. This is to enable the Corporation to comply with the documentary requirements for biddings in construction projects and other business purposes. On motion duly seconded, the stockholders approved the following resolutions:

“RESOLVED, to amend the Articles of Incorporation and By-Laws to include the power to extend corporate guarantees to subsidiaries and affiliates for business purposes;

“RESOLVED, to authorize the Corporate Secretary to file the necessary application for amendment of Articles of Incorporation and By-Laws with the Securities and Exchange Commission.”

X. AMENDMENT OF ARTICLES OF INCORPORATION TO INCREASE AUTHORIZED CAPITAL STOCK FROM PHP2 BILLION TO PHP5 BILLION TO BE EFFECTED BY WAY OF STOCK DIVIDEND DECLARATION

The Chairman stated that there is a proposed amendment of the Articles of Incorporation to increase the authorized capital stock from Php2 Billion to Php5 Billion. He discussed that as of December 31, 2013, the Corporation has unrestricted retained earnings of P2,720,372,788. He said that on May 14, 2014, the Board of Directors approved the proposal to increase the authorized capital stock from P2 Billion to P5 Billion consisting of 5 Billion shares with a par value of P1.00 each and declare dividends in the amount of P750,000,000.00 from the unrestricted retained earnings of the Corporation as of December 31, 2013. The record date and the payment date shall be announced upon the Securities and

Exchange Commission's approval of the increase in authorized capital stock and stock dividend declaration.

After some discussion, on motion duly seconded, the stockholders approved the following resolutions:

"RESOLVED, to amend Article Seventh of the Articles of Incorporation to increase the authorized capital stock from Php2 Billion to Php5 Billion consisting of 5 Billion shares with a par value of Php1.00 each;

"RESOLVED, to declare stock dividends of 750,000,000 common shares of stock equivalent to 45.50% of the total issued and outstanding shares of stock with a par value of P1.00 each to be taken from the unrestricted retained earnings of the Corporation as of December 31, 2013. The record date and payment date shall be announced upon the Securities and Exchange Commission's (SEC) approval of the increase in the authorized capital stock and stock dividend declaration. The stock dividend is equivalent to 45.50% of the outstanding shares and will constitute the minimum subscription and paid-up requirement to the increase of the authorized capital stock of the Corporation;

"RESOLVED, to authorize the CFO and Corporate Secretary to file the necessary application for increase of the authorized capital stock with the Securities and Exchange Commission and additional listing of the shares with the PSE."

XI. AMENDMENT OF ARTICLES OF INCORPORATION TO CREATE PREFERRED SHARES

The Chairman stated that the next item in the Agenda is the amendment of the Articles of Incorporation to create preferred shares. After some discussion, on motion duly seconded, the stockholders approved the following resolutions:

"RESOLVED, to amend the Articles of Incorporation and By-Laws to create preferred shares to be taken from the increase in authorized capital stock, subject to approval of the Securities and Exchange Commission;

“RESOLVED, to authorize the Board of Directors and Management to determine the features, terms and conditions of the preferred shares;

“RESOLVED, to authorize the Corporate Secretary to file the necessary application for amendment of Articles of Incorporation and By-Laws and listing of the preferred shares with the PSE.”

XII. OTHER MATTERS

There was a question on the growth strategy of the Corporation. The Chairman stated that the Corporation plans to bid for Public Private Partnership (PPP) projects and other government projects.

A question was raised on which other construction company the Corporation would want to be like (e.g., D. M. Consunji, Inc., etc). The Chairman said that it would be D. M. Consunji, Inc.

There was a question on how much of the Php3 Billion increase would be preferred shares. The Chief Financial Officer answered that the features, terms and conditions would still have to be determined by the Board and Management after conducting due diligence.

A question was asked on how much are the recurring revenue, target recurring revenue and percentage of recurring revenue to total revenue. The Chief Financial Officer discussed that the Corporation aims to achieve stable recurring revenue equivalent to 50% and traditional revenue amounting to 50% of total revenue within 3 years.

X. ADJOURNMENT

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

Certified Correct:

FLORENTINO A. TUASON, JR.
CORPORATE SECRETARY

Attested by:

MICHAEL C. COSIQUIEN
Chairman