

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF
MEGAWIDE CONSTRUCTION CORPORATION

HELD ON SEPTEMBER 16, 2016

Forbes Ballroom 3, Conrad Hotel Manila, Seaside Boulevard,
Coral Way, Mall of Asia Complex, Pasay City

I. CALL TO ORDER

The Chairman called the meeting to order at 2:00 p.m. The host introduced the Board members present during the meeting:

Chairman	-	Michael C. Cosiquien
Director	-	Edgar B. Saavedra
Director	-	Yerik C. Cosiquien
Director	-	Elizabeth Anne C. Uychaco
Director	-	Florentino A. Tuason, Jr.
Director	-	Leonilo G. Coronel

The host also introduced the new nominees to the Board of Directors, Chief Financial Officer, Oliver Y. Tan and Chief Justice Hilario G. Davide, Jr. (Ret.)

II. NOTICE AND QUORUM

The Corporate Secretary certified that the notices of the meeting were sent to stockholders of record as of June 16, 2016 in accordance with the By-laws of the Corporation and that stockholders representing 75.74% of the outstanding voting stock of the Corporation, or 1,847,546,071 shares, are present in person or represented by proxy and that a quorum existed.

II. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS'
MEETING ON JUNE 30, 2015

Agenda Item 3: To approve the Minutes of the Annual Stockholders' Meeting held on June 30, 2015 which contains the following: (a) approval of the minutes of the Annual Stockholders' Meeting on June 30, 2014; (b) Chairman's Address; (c) President's Report; (d) Ratification of all acts of Management and the Board of Directors; (e) Election of Directors; (f) Approval of the 2014 Audited Financial Statements; and (g) Appointment of External Auditor.

RESOLUTION: On motion duly seconded, the shareholders representing 100% of the 1,847,546,071 shares represented during the meeting unanimously voted in favor of the following:

"RESOLVED, to dispense with the reading of the Minutes of the June 30, 2015 Annual Stockholders' Meeting and the same is approved as presented."

III. CHAIRMAN'S ADDRESS

Agenda Item 4: The Chairman will give a welcome address.

The Chairman, Engr. Michael C. Cosiquien, gave the welcome address.

- The Corporation's Order Books showed a hefty 73% increase at Php39.06 Billion. The Corporation has become the trusted partner of SM Development Corporation, Rockwell Land, 8990 Holdings, Megaworld and the Araneta Group, among other highly-valued clients.
- The Corporation expanded into new sectors such as superstores, malls and townships. It has also commenced Engineering, Procurement, and Construction of solar power plants which will be a strong source of recurring revenue in the long-term.
- The operation of the Mactan-Cebu International Airport (MCIA) contributed 10% or Php1.48 Billion to total top-line revenues.
- The Corporation anticipates stronger returns from its Public-Private Partnership (PPP) projects when it opens MCIA's Terminal 2 and start operations for the Southwest Integrated Transport System in 2019.
- The Corporation's commitment is to present government with its experience and expertise in building, managing and operating public infrastructure projects that will ultimately benefit the people and promote national development.
- The Corporation expressed gratitude to outgoing directors, Professor Leonor M. Briones, who was appointed Department of Education Secretary, and Ms. Elizabeth Anne Uychaco, for helping the Corporation through its formative years as a publicly-listed company and for helping shape the Corporation's vision.
- The Corporation acknowledged the stockholders for placing their trust in the Corporation.

IV. PRESIDENT'S REPORT

Agenda Item 5: The President will give the operational highlights of 2015.

The President and Chief Operating Officer (COO), Engr. Edgar B. Saavedra, reported on the operational highlights of the Corporation for the year 2015:

- The Corporation is investing in downstream assets to take on more complex projects. It has diversified its business into: (a) construction; (b) airport; and (c) property.
- Consolidated bank net debt-to-equity ratio increased from 0.77 to 0.8.
- Returns on Equity ratio improved due to consolidated earnings.
- Earnings per share ratio increased from 0.35 to 0.41.
- The Corporation's long-term infrastructure development resulted to short to midterm balance sheet expansion. Consolidated Net Income is 66% higher than 2014 at Php1.47 Billion. This is the Corporation's highest growth since its Initial Public Offering in 2011.
- Total Revenue is still driven by the core construction business. However, the operations of the MCI A contributed 10% to the Total Revenue.
- There was a 42% growth in Construction Revenues from repeat clients.
- The 2015 Order Book Mix consisted of residential, power, affordable housing, office and commercial projects.
- The Corporation booked new contracts amounting to Php37.73 Billion. New contracts include contracts for construction of the Arthaland Superstructure, Landers Otis and Balintawak and Urban Deca projects.
- The Corporation was also awarded new projects by existing clients. It commenced construction of solar power plants in Negros Occidental, Bataan and Cebu.
- The Corporation continues to invest in upstream business such as the PPP school buildings and the MCI A projects. Phase 2 of the school buildings project is 90% completed. Phase 1 of the MCI A project is scheduled for completion in 2018.
- Airport Net Profit reached Php501 Million in 2015. Strong marketing efforts increased passenger traffic by 15%. The Corporation expects the volume to hit almost Php9 Million in 2016.
- Key improvements were introduced in Terminal 1 such as: (a) increase in routes from 7 to 13 international destinations; and (b) launching of flights from Xiamen, Dubai and Los Angeles.
- The number of employees of the Corporation reached 2,555 in 2015.
- The Megawide Corporate Foundation, Inc.'s projects include: (a) Engineering Education; (b) Livelihood; (c) Environment. Engineering students from the Technological University of the Philippines and University of the Philippines were given scholarships. Books were donated to day care centers.

- The Corporation has expanded into other business segments including airport operations and transportation. Aside from engineering, it has also pursued vertical integration.

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

Agenda Item 6: To ratify acts of 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 and other acts necessary for various construction projects 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 September 16, 2016 and stated in the Information Statement duly distributed to the stockholders.”

VI. ELECTION OF DIRECTORS

Agenda Item 7: 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.

The following were nominated and elected as regular and independent members of the Board of Directors:

Director's Name	Position	Approved	Disagreed/Abstained
Michael Cosiquien	Chairman	1,847,546,071	-
Edgar Saavedra	President and Chief Operating Officer	1,774,405,956	73,140,115
Yerik Cosiquien	Director	1,774,405,956	73,140,115
Chief Justice Hilario G. Davide, Jr. (Ret.)	Independent director	1,847,546,071	-
Oliver Y. Tan	Chief Financial Officer and director	1,847,546,071	-

Leonilo Coronel	Independent director	1,847,546,071	-
Florentino A. Tuason, Jr.	Corporate Secretary and Corporate Information Officer	1,774,405,956	73,140,115

RESOLUTION: On motion duly seconded, the stockholders representing 100% of the 1,847,546,071 shares 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. Michael C. Cosiquien
2. Chief Justice Hilario G. Davide, Jr. (Ret.) (independent director)
3. Oliver Y. Tan
4. Leonilo M. Coronel (independent director)”

RESOLUTION: On motion duly seconded, the stockholders representing 96.04% of the 1,847,546,071 shares 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 Saavedra
2. Yerik Cosiquien
3. Florentino A. Tuason, Jr.”

VII. APPROVAL OF THE 2015 AUDITED FINANCIAL STATEMENTS

Agenda Item 8: To approve the 2015 Audited Financial Statements

RESOLUTION: On motion duly seconded, the stockholders representing 100% of the 1,847,546,071 shares represented during the meeting unanimously voted in favor of the following:

“RESOLVED, to approve the 2015 Audited Financial Statements as presented.”

VIII. APPOINTMENT OF EXTERNAL AUDITOR

Agenda Item 9: To approve the appointment of Punongbayan & Araullo as external auditor

RESOLUTION: On motion duly seconded, the stockholders representing 100% of the 1,847,546,071 shares represented during the meeting unanimously voted in favor of the following:

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

IX. AMENDMENT OF THE ARTICLES OF INCORPORATION TO INCLUDE ENGAGING IN PUBLIC-PRIVATE PARTNERSHIP (PPP) PROJECTS AND POWER GENERATION BUSINESS IN THE SECONDARY PURPOSE

Agenda Item 9: To approve the amendment in the secondary purpose

RESOLUTION: On motion duly seconded, the stockholders representing 100% of the 1,847,546,071 shares represented during the meeting unanimously voted in favor of the following:

“RESOLVED, to amend the Articles of Incorporation to include the power to engage in public-private partnership (PPP) projects and power generation business in the secondary purpose.

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

X. OTHER MATTERS

A shareholder asked how the functions of the Chief Executive Officer (CEO) and Chief Operating Officer (COO) are delineated. The Chairman answered that the CEO determines the strategy of the company while the COO handles operations.

The same shareholder inquired why the email address of the Corporation is not indicated in the Philippine Stock Exchange’s Electronic Disclosure Generation

Technology (EDGE) Portal. The Chairman said that his comment will be taken note of.

The same shareholder congratulated the Corporation for registering a strong balance sheet.

XI. 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