

**PRESS RELEASE**  
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**Megawide's Airport Business Clears Runway to Recovery**  
*Agreement Indicates Continued Strong Support from Lenders*

On May 06, 2021, GMR MEGAWIDE Cebu Airports Corp. (GMCAC), airport subsidiary of Megawide Construction Corporation ("Megawide" or the "Company"), and its Lenders executed an agreement for the rebalancing of its debt servicing commitments and relaxation of debt covenants, which are associated with the end-2020 outstanding P23.9-billion project financing contracted to develop, operate, and maintain the multi-awarded Mactan-Cebu International Airport (MCIA).

The Lenders are composed of the country's largest banks, namely BDO Unibank Inc., Philippine National Bank, Bank of the Philippine Islands, Development Bank of the Philippines, Land Bank of the Philippines, and Metropolitan Bank and Trust Company, as well as the Asian Development Bank. BDO Capital also acted as the financial advisor to the transaction.

Based on the final terms of agreement executed by both parties, the exercise will temporarily free up approximately P4.5 billion in cash from 2021-2023 and reinforce GMCAC's financial position, which can be utilized to support operations while the ongoing pandemic limits air travels. Principal payments will be postponed to 2027-2029, based on the renewed Omnibus Loan and Security Agreement (OLSA), when the travel industry is expected to have fully recuperated from the ill effects of COVID-19.

"We are glad that the negotiations with our Lenders were finalized and we express our sincerest gratitude to our financial partners, who from the very start of this pandemic have been very supportive. The agreement is a strong sign of support and confidence in Megawide's airport business model. The more relaxed debt servicing schedule will provide our airport operations a clearer runway to full recovery once the situation normalizes," said Megawide Chairman and CEO Edgar Saavedra.

As the pandemic wreaked havoc on the travel industry, GMCAC formally solicited for a 30-day grace period for its six-month debt servicing from December 15, 2019 falling due on June 15, 2020, as provided under the "Bayanihan Act". The Lenders unanimously approved the request on June 11, 2020.

With travel continuing to be restricted, GMCAC requested for a further extension of settlement to September 2020, which GMCAC duly paid on September 15, 2020, including additional interest on the principal and interest accruing from June 15 to September 15, 2020.

On December 11, 2020, GMCAC sent notifications to its Lenders to defer its principal and interest payments falling due on December 15, 2020 to February 15, 2021 as the pandemic intensified. On December 15, 2020, GMCAC received a reply from the Lenders unanimously approving the request.

"From the very start, our Lenders were very accommodating and have been observing the true spirit of Bayanihan. They have genuinely exercised their sworn mandate to act as intermediaries between sources and users of capital, as they have collectively consented to our requests on all occasions. We are very grateful that our Lenders actually initiated further discussions to resolve all the issues and settle for a more extensive and mutually-beneficial scheme for all parties," said Ramon H. Diaz, Megawide's Group Chief Financial Officer.

While the Philippines initially expected a short-lived impact of the virus, GMCAC prioritized cost rationalization and cash preservation as banks took on a more conservative stance. Both GMCAC and the Lenders embarked on a lengthy discussion that focused on formulating a rational, comprehensive, and longer-term program that addresses the cash flow challenges of the airport business during the pandemic, while offering definite, acceptable, and equitable terms to the Lenders once normalcy returns.

The successful completion of the negotiations is a strong sign of endorsement and confidence in GMCAC's airport's business model and Megawide's long-term value creation initiatives.

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#### ABOUT MEGAWIDE

Megawide is one of the leading infrastructure and engineering innovators in the Philippines. Publicly-listed since 2011, it is one of the largest contractors for private sector construction projects in the country and the private partner of the Philippine Government for flagship infrastructure projects such as the development of the Mactan-Cebu International Airport (MCIA) and the Paranaque Integrated Terminal Exchange (PITX). Megawide is also the construction partner for the Clark International Airport New Passenger Terminal Building. It is currently the undertaking the construction of the Malolos-Clark Railway Project Package 1, and the modernization of Cebu's historic Carbon Market District. In 2012, the company established Megawide Corporate Foundation, Inc., a non-profit organization focusing on social development projects.