

PRESS RELEASE
August 17, 2022

Megawide lists oversubscribed maiden fixed rate bond offering on PDEX

Megawide Construction Corp. (“Megawide” or the “Company”) listed today a total of Php4.0 billion fixed-rate bonds (inclusive of the Php1.0 billion oversubscription option) at the Philippine Dealing and Exchange Corp. (PDEX).

The issue received total tenders of Php6.71 billion and was 2.24x oversubscribed from the P3.0 billion base issue amount during the offer period, which ran from July 28, 2022 to August 05, 2022. A total of Php 4.0 billion was raised, which consists of Series A (Php 1.6 billion maturing in 3.5 years from issue date at a rate of 6.9506%) and Series B (Php 2.4 billion maturing in five (5) years from issue date at a rate of 7.9663%).

“We are very thankful for the investors and our joint lead underwriters for again delivering a successful capital raising campaign. We also would like to thank our regulators, the PDS Group and the SEC, for paving the way for this momentous undertaking. Amid the global tension and local developments, the strong take up of our maiden bonds reflects the investing community’s continued trust and confidence in Megawide’s strategic objectives and long-term direction,” said Edgar Saavedra.

RCBC Capital Corp. and SB Capital Investment Corp. were the Joint Issue Managers, Joint Lead Underwriters and Bookrunners for the exercise, with RCBC - Trust and Investment Group acting as Trustee and Security Bank Corporation as Market Maker.

“Megawide’s long-term growth story, anchored on its pivot to developmental infrastructure, and financial management roadmap sit well with investors. We believe this is one of the main reasons why there was a very healthy demand and oversubscription for the offer,” Jose Luis Gomez, President and CEO of RCBC Capital Corp, noted.

For his part, Virgillo Chua, SB Capital Investment Corp. President and CEO, said the pricing mirrors an attractive risk-reward opportunity associated with the issuance. “The rates fetched during the offer period were also at the low end of the spectrum indicating strong demand alongside the risk premium assigned to the Company,” Chua added.

The Bonds were rated PRS AA by the Philippine Ratings Service Corporation dated 27 May 2022, indicating an Issuer’s “strong capacity to meet its financial commitments relative to that of other Philippine corporates”.

“The completion of the offer was also very timely as we were able to issue ahead of another policy rate hike implementation by the Bangko Sentral ng Pilipinas, which could have affected the pricing. Aside from relieving some pressure off bank lines especially under uncertain times, we are able to stretch our maturity towers as we replace short-term with longer-term tenors,” Ramon H. Diaz, Megawide Group Chief Financial Officer added.

The net proceeds of the fixed-rate bonds shall be used by Megawide primarily to refinance its short-term debts, fund its capital expenditures and other general corporate requirements.

The Company was recently awarded the contract for CP-104 of the Metro Manila Subway System Project worth P18 billion, together with its Japanese consortium partners, and expressed interest in



participating in other adjacent packages of the same project. Furthermore, Megawide is currently in different stages of discussion with several parties for the expansion of its transit-centric developments (TCDs), anchored on the Paranaque Integrated Terminal Exchange, to strengthen its land-based transport-related infrastructure portfolio. END

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 Mactan-Cebu International Airport (MCIA), Paranaque Integrated Terminal Exchange (PITX), and construction of the Clark International Airport New Passenger Terminal Building.

It is currently the undertaking the construction of the Malolos-Clark Railway Project Package 1, the modernization of Cebu's historic Carbon Market District, and the CP-104 of the Metro Manila Subway. In 2012, the company established Megawide Corporate Foundation, Inc., a non-profit organization focusing on social development projects.