

PRESS RELEASE
20 December 2022

Megawide Precast and Construction Solutions unit revenues triple for 9M2022
The company sees its engineering technology unit as a new growth segment

The engineering innovations unit of Megawide Construction Corp. (“Megawide” or the “Company”) called Precast and Construction Solutions (PCS) recorded P720 million in revenues for the first nine months of 2022, 2% higher than the previous year and more than three times the P206 million recorded two years ago.

Of the aggregate amount, sales of precast remain as the biggest contributor at 54%, followed closely by batching plant or ready-mix concrete at 34%, and the remainder coming from equipment and formworks sales and rental.

The Company started to strategically offer its PCS services to external clients in 2018 to expand their footprint in the local industry and promote a more environmentally-friendly innovation.

The segment is proving to be an emerging growth area for Megawide, not only as a pure complementary service under the Company’s fully-integrated construction platform, but as a separate income-generating business catering to a wide array of residential, commercial, and industrial uses.

“As ancillary businesses, these legs can benefit from the Company’s healthy order book as part of the value chain. Externally, they can also look for their own clients outside of Megawide to increase their customer base and diversify their revenue stream to leverage on the usability of precast as a natural progression in the construction industry,” said Edgar Saavedra, Chairman and CEO of Megawide.

According to Saavedra, this segment is more scalable and could deliver better margins. “Precast production follows a manufacturing model, where economies of scale can be achieved, thus result in higher margins. Operating the largest and most advanced precast facility in the country gives us an opportunity to maximize our unique advantage,” Saavedra added.

Megawide’s PCS unit, as a whole, used to make up less than 3% of total construction revenues but has more than doubled its contribution in 9M2022 as its scope widened to include affordable housing (with Phirst Park Homes supply and installation contracts) and horizontal infrastructure (with Skyway supply contracts), among others. The Company recently inaugurated a second plant to expand its total capacity and serve a bigger clientele.

Refer to:
Anna Salgado
asalgado@megawide.com.ph
09175637629



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 sole construction partner for the Clark International Airport New Passenger Terminal Building. It is currently 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.