

News Announcement
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Megawide Lists Series 5 Preferred Shares

Manila, Philippines – Megawide Construction Corporation (“Megawide or the Company”) successfully listed the Series 5 Preferred Shares on the Philippine Stock Exchange on April 17, 2023. The offer received was fully subscribed.

The Shares were offered to the public from March 28 - April 4, 2023 and fetched an initial dividend rate of 7.9042% per annum, which was at the lowest end of the pricing range. RCBC Capital Corp. is the issue’s Sole Issue Manager, Lead Underwriter, and Bookrunner.

Proceeds of the offer will be used to partially refinance the maturing Php2.6-billion Series 2A Preferred Shares on May 2023, while the balance will be sourced from the Company’s internally generated cash.

The Company recognized the Philippine economy’s resilience, after the height of the pandemic, by posting a significant recovery amid pressures from several fronts. GDP growth of 7.6% in 2022 was the highest in the region and even surpassed more developed ASEAN economies. During the book building period, however, there were a series of policy rates hikes implemented by monetary authorities to address the elevated inflation and keep the country’s growth momentum alive.

“This environment presented a number of risks and created a cloud of uncertainty in the financial and capital markets. Against this backdrop, Megawide pursued this capital raising exercise, believing in the country’s sound economic fundamentals and post-pandemic resurgence, anchored on the new administration’s growth agenda,” said Edgar Saavedra, Megawide Chairman and CEO.

“The warm reception for our latest fund raising also reflects the investment community’s continued confidence in Megawide’s prospects. We are also very thankful to our investors for seeing the value in these initiatives and equally grateful to our underwriter for their never-ending support and trust in our Company. Finally, we would like to recognize our regulators, the PSE and the SEC, for their stewardship and guidance in this exercise,” Saavedra added.

The Series 5 preferred share issuance is part of Megawide’s comprehensive long-term financial management program, which aims to strengthen the balance sheet and develop a more efficient capital structure. As of end-September 2022, the Company’s consolidated debt-to-equity ratio eased to 1.6x from 3.0x as of end-December 2021.

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Refer to:

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ABOUT MEGAWIDE

Megawide is among the most innovative engineering and infrastructure companies in the Philippines. Publicly listed since 2011, Megawide is the private partner of the Philippine Government for major public infrastructure projects such as the PPP for School Infrastructure Project Phases 1 and 2; the multi-year developments of Mactan-Cebu International Airport and the Parañaque Integrated Terminal Exchange; and the construction of Clark International Airport. In 2012, the company established Megawide Corporate Foundation, Inc., a non-profit organization focusing on social development projects.