

# Megawide Construction Corp. FY2022 and 1Q2023 Financial Results

24 May 2023

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# Outline

1.0 Financial Highlights

2.0 EPC and PCS

3.0 Landport Operations

4.0 Key Developments

5.0 Open Forum



# FINANCIAL HIGHLIGHTS

# FY2022 CONSOLIDATED INCOME STATEMENT

In PhP M	FY2022	FY2021	%
Revenues	14,841.65	15,044.50	-1.3%
<i>Construction Operation Revenues</i>	<i>14,583.32</i>	<i>14,329.46</i>	1.8%
<i>Landport Operations Revenue</i>	<i>258.32</i>	<i>715.03</i>	-63.9%
Direct Costs	12,921.88	12,500.17	3.4%
<i>Cost Of Construction</i>	<i>12,557.58</i>	<i>12,130.69</i>	3.5%
<i>Costs Of Landport Operations</i>	<i>364.31</i>	<i>369.47</i>	-1.4%
Gross Profit	1,919.76	2,544.33	-24.5%
Other Income / (Expenses)	(4,480.94)	(1,973.13)	127.1%
<i>Operating Expenses</i>	<i>(1,193.64)</i>	<i>(1,132.22)</i>	5.4%
<i>Impairment Loss</i>	<i>(1,722.58)</i>	<i>(213.28)</i>	707.7%
<i>Finance Income / (Cost) - Net</i>	<i>(1,131.05)</i>	<i>(1,042.78)</i>	8.5%
<i>Others</i>	<i>(433.68)</i>	<i>415.16</i>	-204.5%
Profit / (Loss) Before Tax	(2,561.18)	571.20	-548.4%
Tax Income (Expense)	689.16	(92.51)	-845.0%
Net Income / (Loss) From Continuing Operations	(1,872.02)	478.70	-491.1%
Net Income From Discontinued Operations	4,704.77	(1,371.85)	-443.0%
Net Profit/ (Loss) Attributable To:	2,832.75	(893.15)	-417.2%
<i>Attributable To Parent</i>	<i>3,357.71</i>	<i>(342.99)</i>	-1079.0%
<i>Non-controlling Interest</i>	<i>(744.96)</i>	<i>(550.16)</i>	35.4%

- Low landport occupancy
- PFRS adjustment
- Cost inflation
- One-off items
- Gain from sale of airport

# 1Q2023 CONSOLIDATED INCOME STATEMENT

In PhP M	1Q2023	1Q2022	%
Revenues	4,356.51	3,922.54	11.1%
<i>Construction Operation Revenues</i>	<i>4,266.35</i>	<i>3,791.77</i>	<i>12.5%</i>
<i>Landport Operations Revenue</i>	<i>90.16</i>	<i>130.77</i>	<i>-31.1%</i>
Direct Costs	3,954.30	3,265.65	21.1%
<i>Cost Of Construction</i>	<i>3,863.48</i>	<i>3,196.88</i>	<i>20.9%</i>
<i>Costs Of Landport Operations</i>	<i>90.83</i>	<i>88.77</i>	<i>2.3%</i>
Gross Profit	402.21	636.88	-36.8%
Other Income / (Expenses)	(389.23)	(454.99)	-14.5%
<i>Operating Expenses</i>	<i>(413.47)</i>	<i>(245.71)</i>	<i>68.3%</i>
<i>Finance Costs</i>	<i>(458.77)</i>	<i>(387.36)</i>	<i>18.4%</i>
<i>Finance Income</i>	<i>281.00</i>	<i>111.91</i>	<i>151.1%</i>
<i>Others</i>	<i>202.01</i>	<i>66.17</i>	<i>205.3%</i>
Profit / (Loss) Before Tax	12.98	181.89	-92.9%
Tax Income (Expense)	20.36	45.73	-55.5%
Net Income / (Loss) From Continuing Operations	(7.39)	136.16	-105.4%
Net Income From Discontinued Operations	-	(328.37)	-
Net Profit/ (Loss) Attributable To:	(7.39)	(192.21)	-96.2%
<i>Attributable To Parent</i>	<i>(7.12)</i>	<i>(60.75)</i>	<i>-88.3%</i>
<i>Non-controlling Interest</i>	<i>(0.26)</i>	<i>(131.46)</i>	<i>-99.8%</i>

- Steady construction completion
- PFRS adjustment
- Variation order
- Capacity build-up
- Interest expense on maiden bond

# MARGIN PERFORMANCE

	1Q2023	1Q2022		FY2022	FY2021
Gross Profit Margin	9%	18%		13%	18%
<i>Construction</i>	9%	16%		14%	15%
<i>Terminal Operations</i>	-	47%		-	56%
EBITDA Margin	14%	19%		12%	19%
<i>Construction</i>	13%	19%		11%	18%
<i>Terminal Operations</i>	62%	65%		28%	89%
Net Income Margin	0%	3%		19%	3%
<i>Construction</i>	1%	4%		-	3%
<i>Terminal Operations</i>	-	-		-	11%

- Lower margin, long-term contracts
- Variation order cost in 1Q23
- Improving occupancy and higher commercial sales

# BALANCE SHEET HIGHLIGHTS

As of	31-Mar-23	31-Dec-22	31-Dec-21
ASSETS			
Cash & financial assets	12,475.3	15,758.2	5,846.1
Trade receivables	18,028.1	18,361.0	16,970.6
Other Current Assets	20,320.6	19,675.5	16,955.8
Total Current Assets	50,824.1	53,794.7	39,772.5
Concession assets	-	-	30,503.8
Property, Plant & Equipment	6,502.2	6,734.0	7,166.9
Other non current assets	6,485.1	5,924.0	7,733.5
TOTAL ASSETS	63,811.3	66,452.8	85,176.6
LIABILITIES			
Current loans	14,062.8	14,707.8	14,780.1
Trade payables	4,961.2	5,332.7	8,616.7
Other current liabilities	2,704.2	3,896.9	3,969.0
Total Current Liabilities	21,728.3	23,937.4	27,365.9
Non current loans	12,942.7	13,071.2	34,721.4
Exchangeable notes	7,763.2	7,763.2	-
Other non current liabilities	2,837.2	2,014.1	3,888.5
TOTAL LIABILITIES	45,271.4	46,785.9	65,975.7
EQUITY	18,539.9	19,666.9	19,200.9
Bank D-E Ratio	1.5	1.4	2.6
Net D-E Ratio	0.8	0.6	2.3

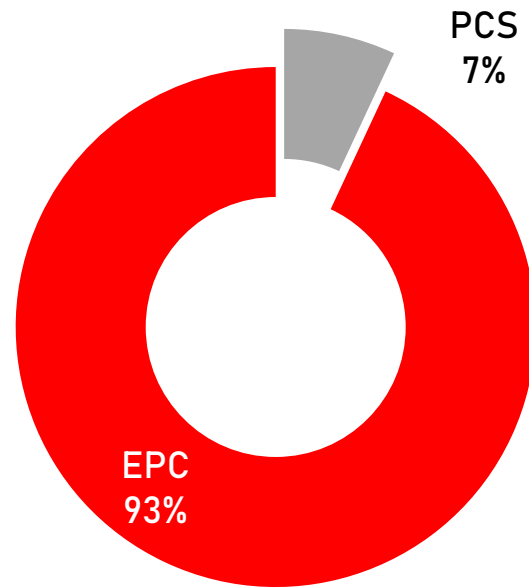
- Proceeds from monetization
- Discontinued airport operations
- Deconsolidation of airport debt
- Issuance of EBs



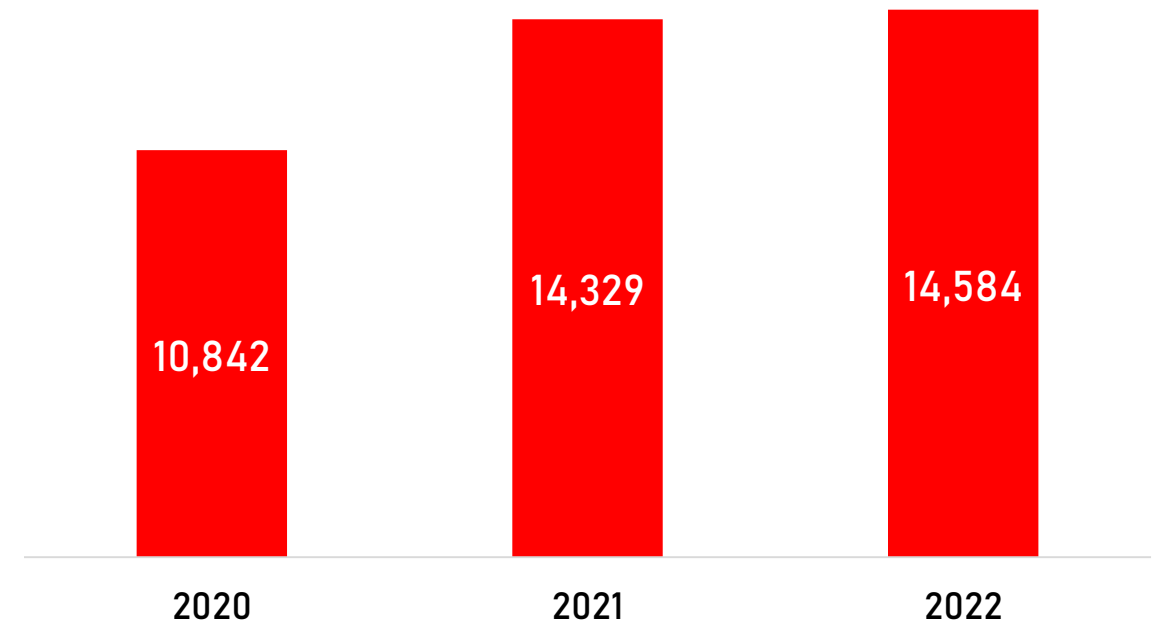


**EPC: Pivoting to infrastructure and cycle-resiliency**

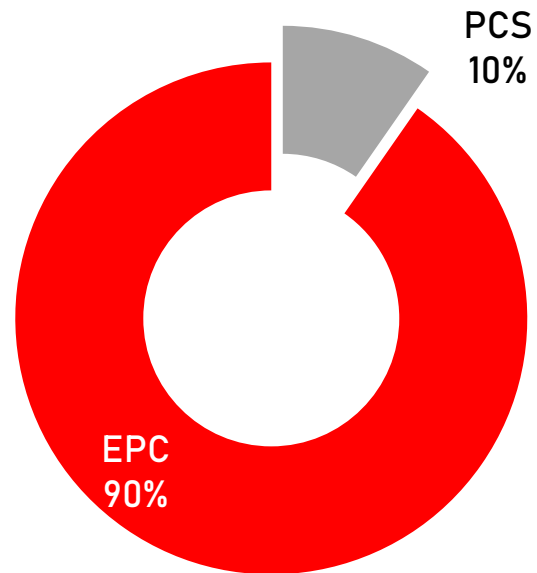
FY2022 BREAKDOWN



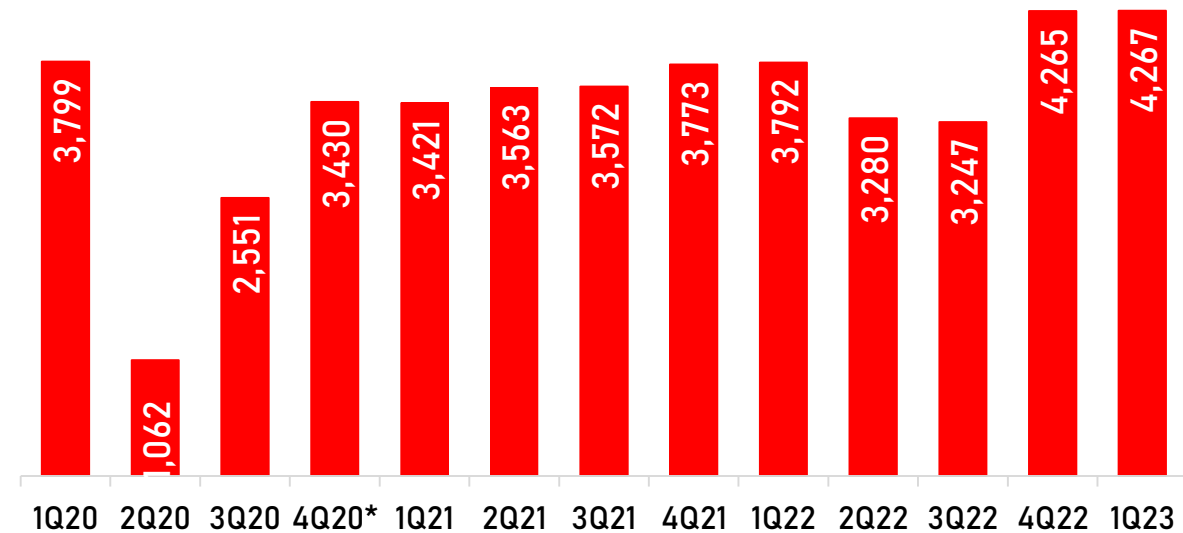
ANNUAL REVENUES (*Php M*)



## 1Q2023 BREAKDOWN

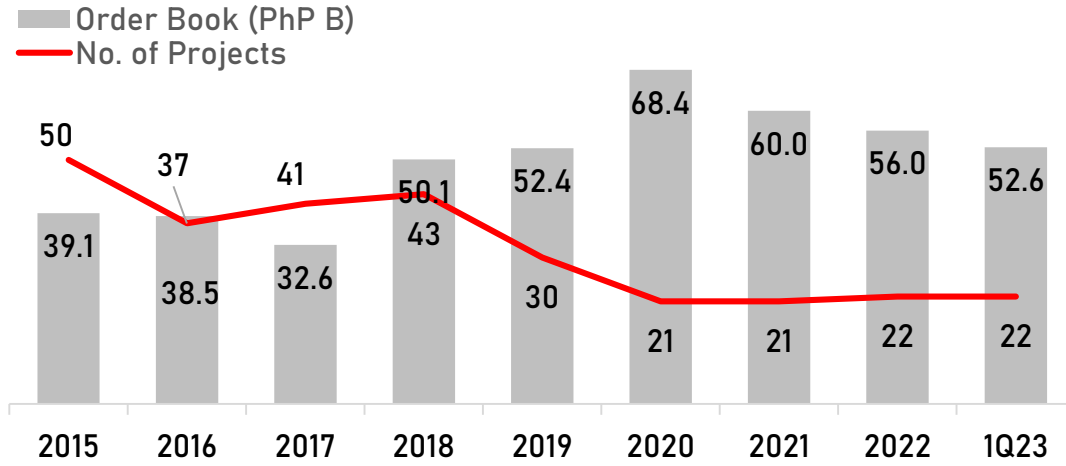


## QUARTERLY PERFORMANCE (PhP M)

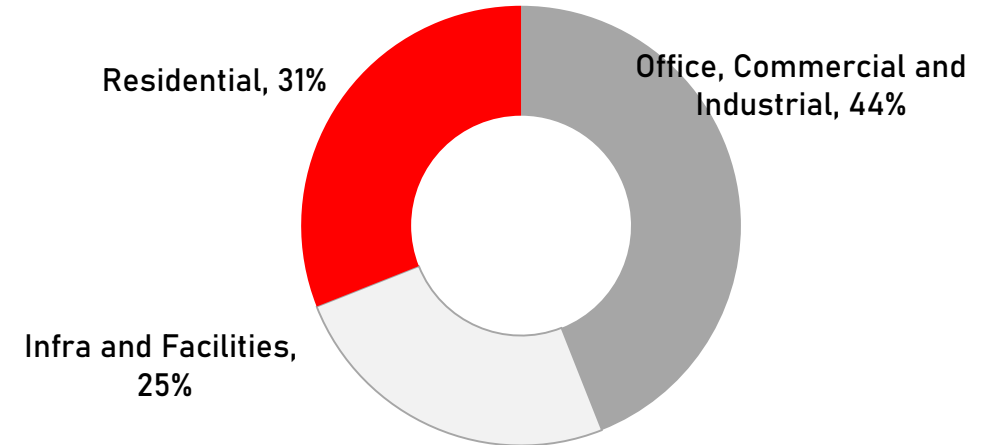


# HEALTHY AND MORE BALANCED ORDER BOOK

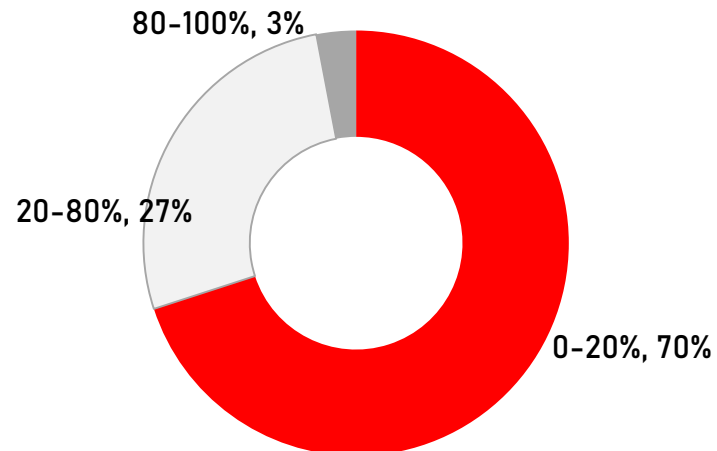
## ORDER BACKLOG



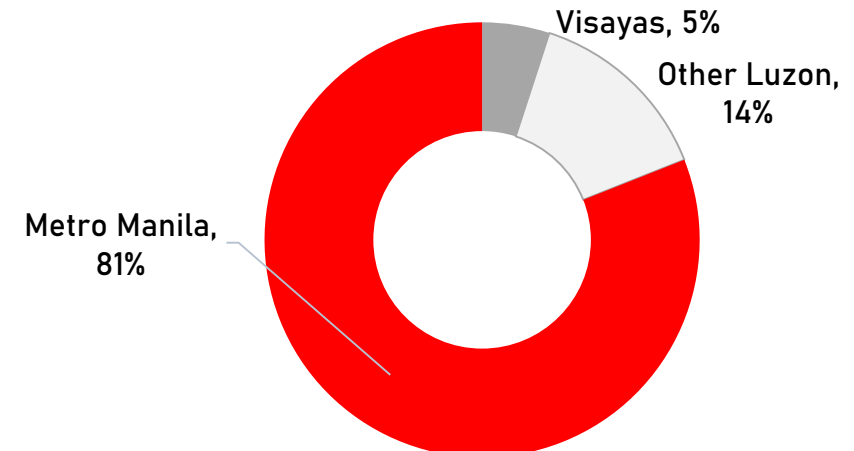
## SEGMENT



## % COMPLETION



## AREA





# SUNCITY WEST SIDE CITY (P23B)





# MALolos CLARK RAILWAY PROJECT (P8B)

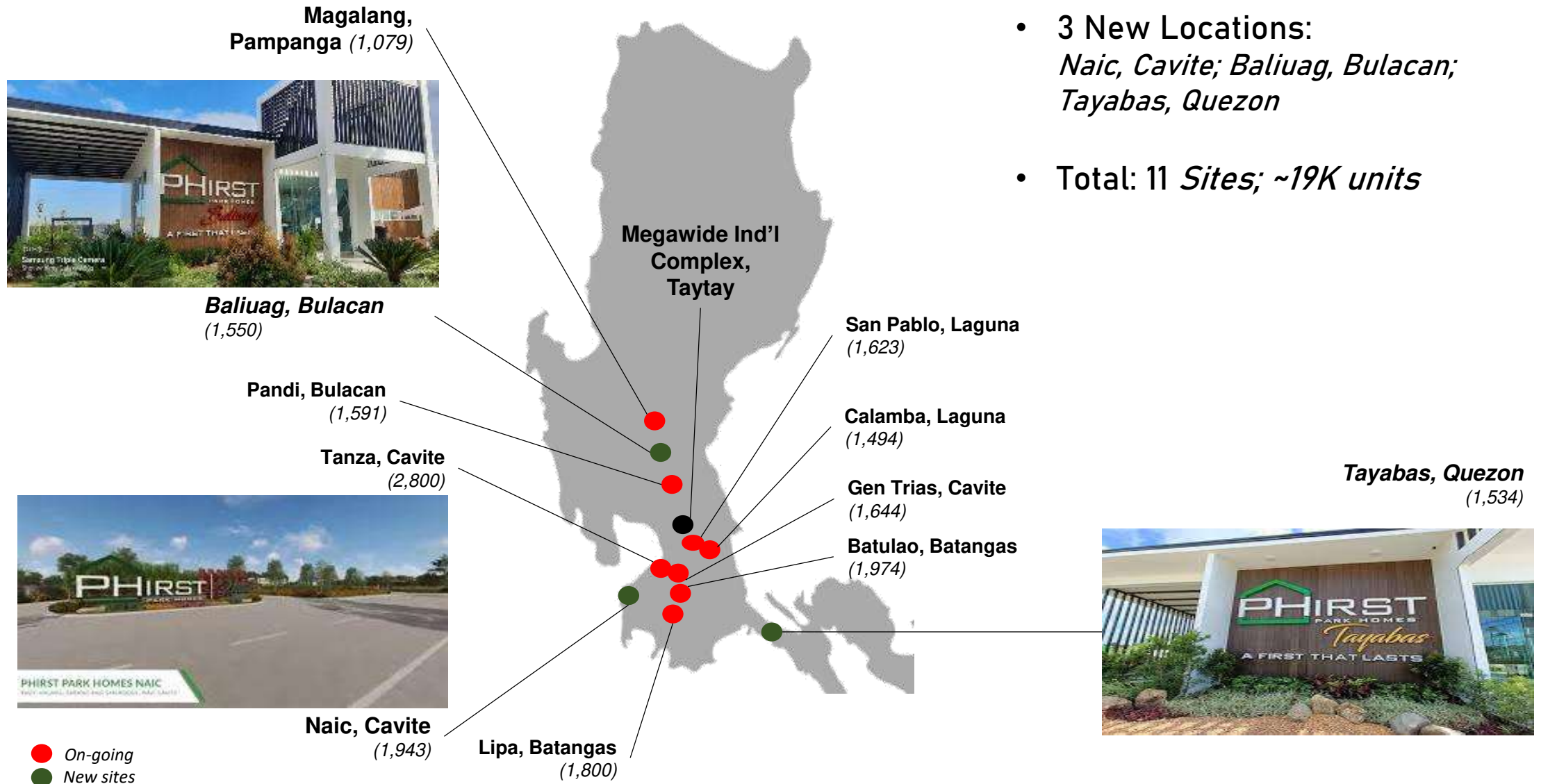




# METRO MANILA SUBWAY SYSTEM (P5B)



# PCS SUPPLY AND BUILD CONTRACTS (P2.5B)

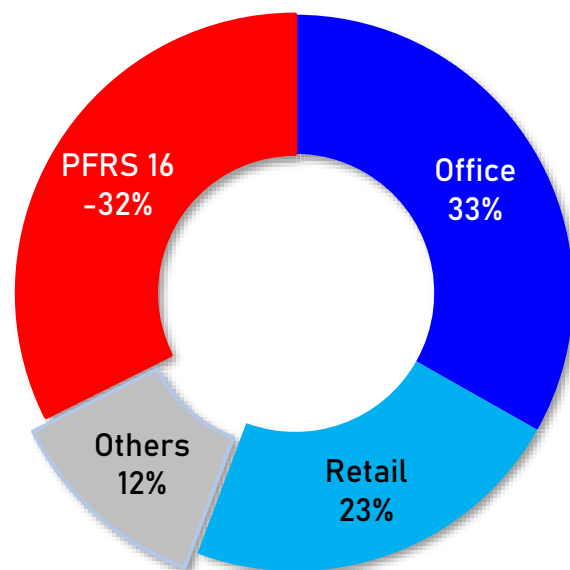




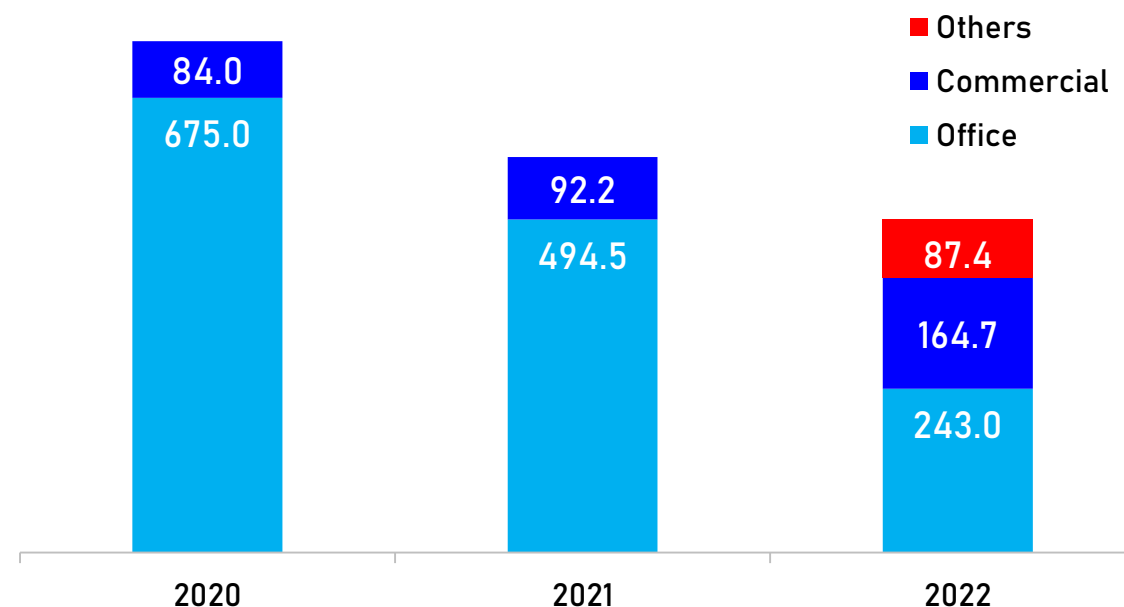


# Landport Operations

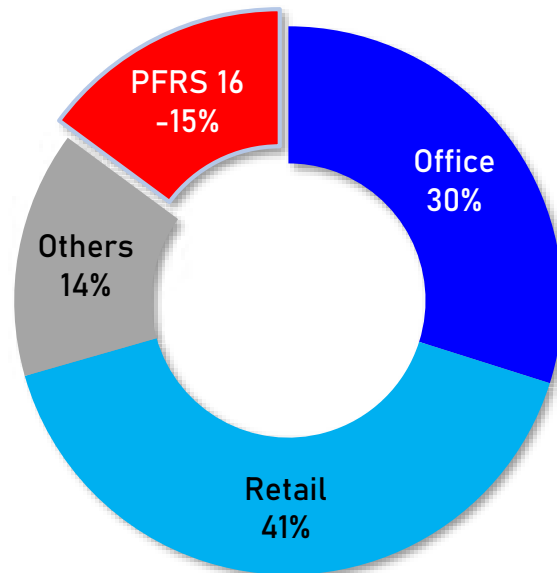
FY2022 BREAKDOWN



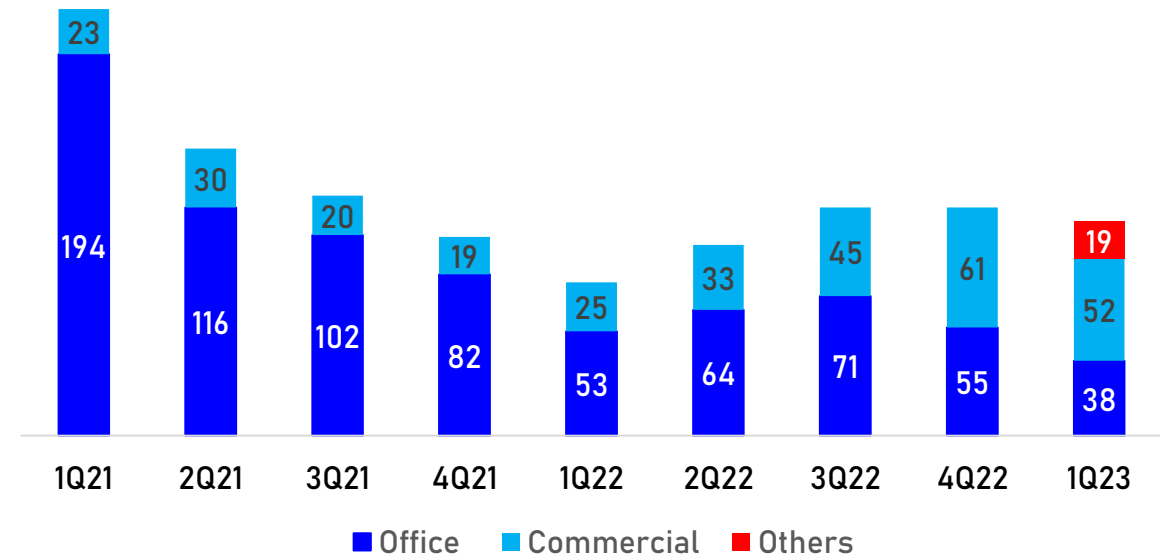
ANNUAL REVENUE (*Pmn*)



1Q2023 BREAKDOWN

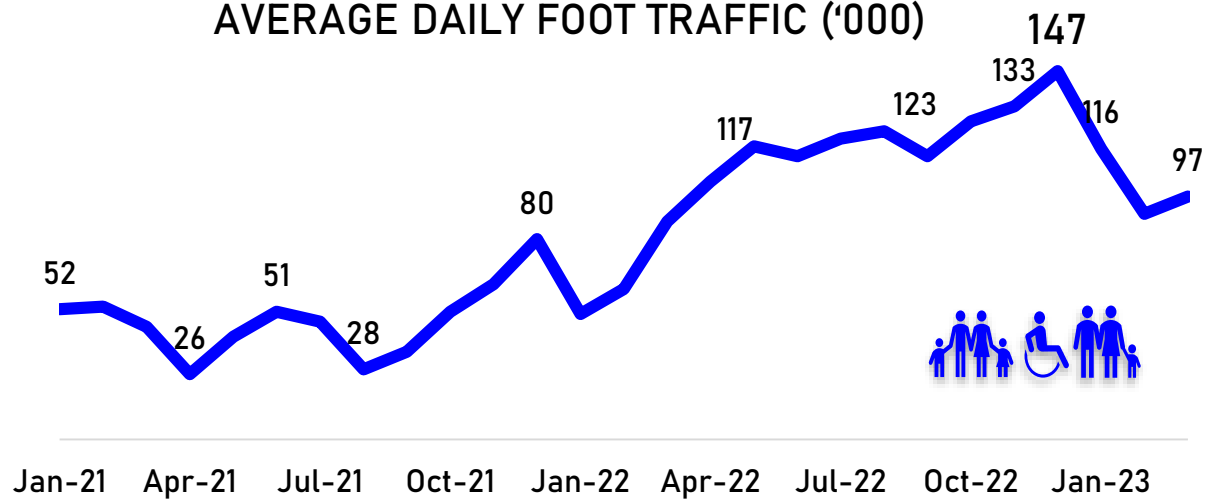


QUARTERLY REVENUE  
(Php M)

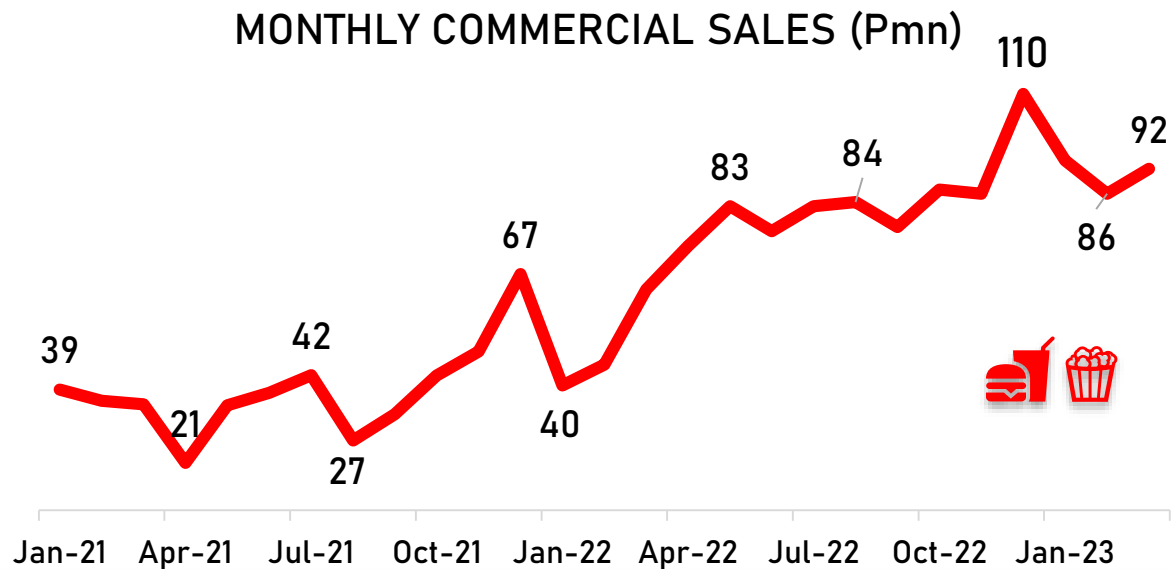


# INCREASED PASSENGER SPENDING

AVERAGE DAILY FOOT TRAFFIC ('000)



MONTHLY COMMERCIAL SALES (Pmn)



- 2022 average foot traffic reached 107K/daily
- 1Q2023 average maintained above 100k/daily
- Monthly sales peaked at P110M in Dec 2022
- Average daily spend at P32.33/pax (1Q2023) vs P24.98/pax (Dec 2022)

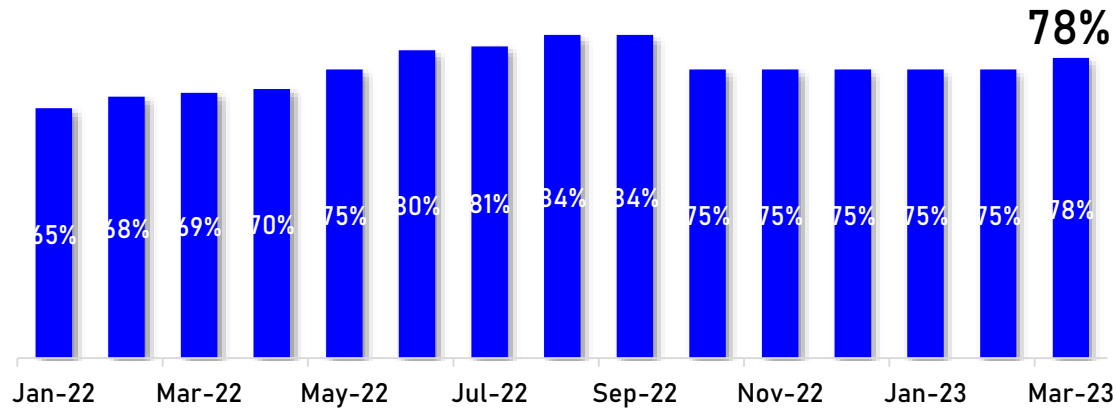


# FRESH RETAIL OFFERINGS

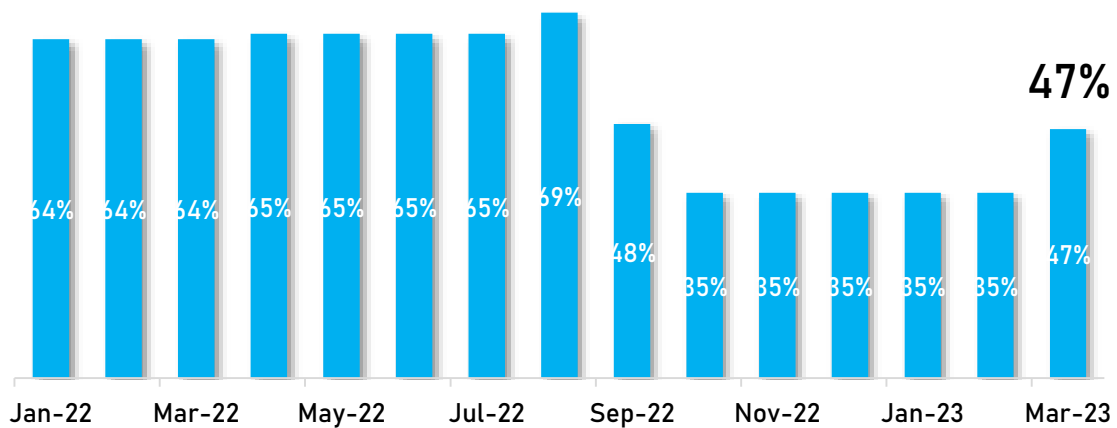


# OCCUPANCY STEADILY IMPROVING

QUARTERLY COMMERCIAL OCCUPANCY



QUARTERLY OFFICE OCCUPANCY



- Commercial area occupancy steady at ~80%
- Higher value offerings push average passenger spend up
- Improving office leasing segment
- New tenant sign ups to bring occupancy to ~60% by 2Q2023





# Key Developments





# THE BARRACKS

## HAWKER CENTER





EST. 1989  
**CARBON**  
— CEBU CITY —

**CEBU WORLD**  
MEGAWIDE

**THE BARRACKS**  
HAWKER CENTER

**MEGAWIDE**

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# Data Center

# GROWTH DRIVERS FOR DIGITAL INFRASTRUCTURE

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DIGITAL  
CONSUMPTION



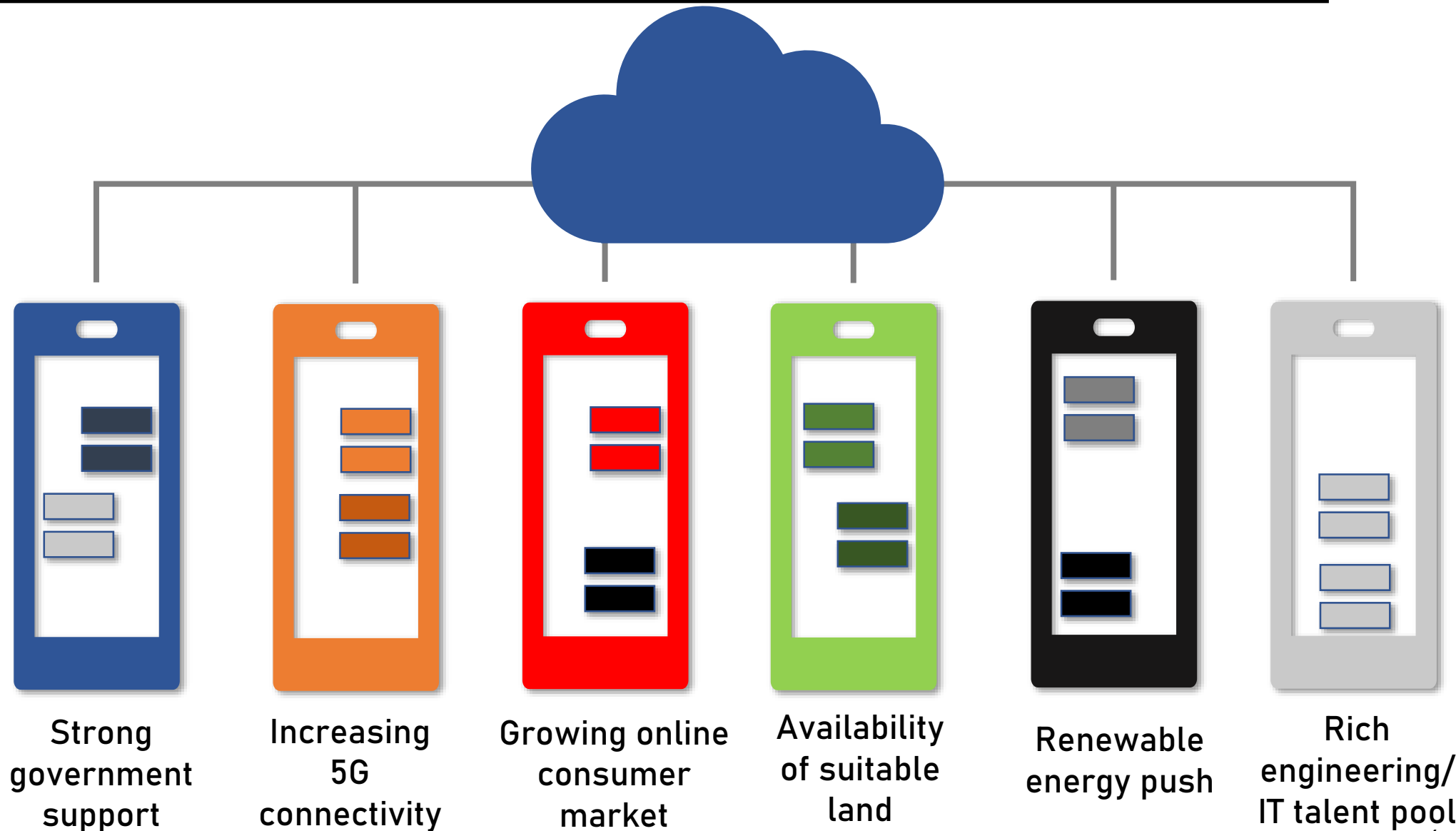
DATA CENTER  
EXPANSION



DEMOGRAPHICS

*Source: Santos / Knight & Frank*

# PHILIPPINES AS AN EMERGING LOCATION



*Source: Santos / Knight & Frank*

# STRENGTHENING THE CARRIER-NEUTRAL PLAY

## SIGNED SHAREHOLDERS' AGREEMENT WITH PARTNER OPERATOR - EVOLUTION DATA CENTERS, INC. (EDC) ON FEBRUARY 28, 2023



### SCOPE / CAPEX

- *US\$300M / 69MW*
- *Construction of structure & facilities*
- *Operations through Op Co*
- *Landlord through Land Co*



### LOCATION / NATURE

- *4-hectare property*
- *Industrial Park in South Metro Manila*
- *Greenfield development*



### TIMETABLE

- *Construction to start 2023*
- *Phase 1 (23MW): 24-36 months completion*
- *5-year scale-up development*





# OPEN FORUM

# Thank you

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