

PRESS RELEASE
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MEGAWIDE POSTS 26% GROWTH IN FY2023 REVENUES TO PHP18.6 BILLION

Megawide Construction Corporation (Megawide or the Company) reported consolidated revenues of Php18.6 billion in FY2023 - 26% higher than the previous year's Php14.8 billion. The performance was driven largely by the construction business, which delivered Php18.1 billion in revenue and comprised 97% of the total. This was complemented by improved landport operations and initial contribution from the real estate segment, which recorded Php348 million and Php149 million, respectively.

Consolidated earnings before interest, taxes, depreciation, and amortization (EBITDA) for continuing operations grew more than ten (10) times to Php3.60 billion versus the previous year's Php353 million, coming significantly from construction operations. The strong performance delivered a consolidated net income from continuing operations of Php269 million – a complete turnaround from the Php1.87 billion consolidated net loss incurred the previous year.

“Our EPC business sustained a robust performance as progress on existing projects went as planned. Based on our timelines, 2024 will continue to reflect increased completion and should translate to higher revenues based on the S-curve. In addition, our Pre-Cast and Construction (PCS) unit continued to build its external portfolio, helping boost performance from the construction segment,” said Edgar Saavedra, Megawide Chairman and CEO.

For EPC, new projects signed in 2023 included Hotel 101 in Libis and Lumbangan Solar Power Plant, bringing total order book to Php43.1 billion as of end last year. In terms of PCS, supply contracts closed last year included horizontal infrastructure projects like the Candaba Viaduct, a portion of MRT-7, CP-104 of the Metro Manila Subway, and a data center – with a combined value of more than Php2.0 billion. The team also secured fresh “Supply-and-Build” contracts for pre-cast materials in three (3) new locations of PhirstPark Homes.

The landport business likewise showed improvement as foot traffic continued to increase, reaching a high of 200,000 during the peak of Holidays in December 2023 and averaged 117,000/daily by the end of the year. As a result, the retail area remained busy, with average spending per passenger (SPP) reaching P40/pax from less than P30/pax the previous year amid a growing passenger base. Office leasing, on the other hand, attracted more traditional tenants to fill up leasable spaces and comprised 57% of signed up tenants as of end-2023.

For real estate operations, PH1 World Developers, Inc. (PH1) reported its initial contribution of Php148 million, representing its share since the acquisition in July 2023. Take-up of ongoing and new projects reached Php4.6 billion – representing 916 units – which is expected to translate to revenues moving forward.

“As our operations steadily deliver the results, we also need to manage the balance sheet and reduce our interest-bearing liabilities to ease the impact of interest expenses on our profitability. We are confident this two-pronged approach will help boost our margins and further improve our bottomline,” Saavedra added.

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.