

PRESS RELEASE
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Megawide posts P183 million 1Q2024 net income, a reversal from 1Q2023 net loss

Megawide Construction Corporation (“Megawide,” or the “Company”) reported a consolidated net income of P183.4 million in the first three months of 2024, reversing the P7.4 million net loss in the same period last year. The performance came at the heels of a 19% improvement in consolidated revenues to P5.2 billion, which carried over from 2023’s performance.

“The results of the first three months of the year reflect the impact of a normalizing operating environment, allowing our businesses to thrive. On the construction side, accomplishment levels in our existing order book remain generally on-track with schedule. Our real estate operations is slowly pitching in and will continue to see an increasing share of revenue down the road, together with our landport operations, as foot traffic continues to grow, and office occupancy starts to recover,” said Edgar Saavedra, Megawide Chairman and CEO. “All these factors are expected to contribute to a stronger 2024 and sustain the gains from the previous year.

Construction remained the biggest contributor to consolidated revenues at P4.9 billion—16% more than 2023—and accounted for a 95% share. The segment benefitted from increasing accomplishments of existing projects, particularly the Malolos Clark Railway Project, the Suncity West Side City Resorts Complex, and Urban Deca developments.

To sustain a healthy pipeline moving forward, the Company continued to build its order book to P44.6 billion as of end-March 2024 and well within track of a comfortable P50 billion annual level. New contracts secured during the period included projects in the renewable energy space—among these are Citicore’s Lumbangan (Phase 2), Binalonan, Arayat, and Sta. Barbara solar power plants.

Landport operations at the Parañaque Integrated Terminal Exchange (PITX) delivered a revenue of P107 million—19% more than the same period last year and contributed close to 2% to the total consolidated revenues. The improvement was attributed to the continued growth in foot traffic, which reached an average of 120,000 daily and drove the average spending per passenger or SPP to P33/pax —up from P30/pax the previous year. A healthier occupancy in the office segment, which included government offices, transport services, and travel agencies as new tenants, likewise contributed to the recovery, with the current leased-out rate already reaching 70% as of May.

Meanwhile, revenue from newly consolidated real estate operations of PH1 World Developers, Inc. amounted to P146.9 million, delivered by ongoing development My Enso Lofts and recently completed The Hive. The segment is expected to contribute more significantly to consolidated revenues in the next two years, as recently launched projects steadily increase construction accomplishment.

Consolidated earnings before interest, taxes, depreciation, and amortization (EBITDA) amounted to P1.24 billion versus the previous year’s P862 million, which largely came from construction operations.

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.