

MEGAWIDE CONSTRUCTION CORPORATION TRADING POLICY

I. INTRODUCTION

It is illegal under the securities laws, rules and regulations of the Philippines, and many other jurisdictions, for directors, officers, and/or employees who have Material Non-Public Information (as defined below) about their corporation to trade (buy or sell) their shares or securities therein, or to trade through or on behalf of another person, by reason of such Material Non-Public Information. This is also known as insider trading.

The purposes of this policy are to: (i) inform all the directors, officers, and employees of Megawide Construction Corporation (the “Company”) of their duties and responsibilities under applicable securities laws, rules, and regulations; (ii) set out the implementing guidelines to ensure compliance therewith; and (iii) preserve the reputation and integrity of the Company and all persons affiliated with the same.

Failure to fulfil the obligations set forth in this policy may result in administrative penalties, criminal and civil liabilities, as well as reputational damage to both the Company and the person involved. As such, extraordinary diligence and utmost good faith must be exercised in the observance of this policy.

II. DEFINITION OF TERMS

- a. **Insider(s)** – means all the directors, officers and employees of the Company, including their immediate family and dependents, anyone else who lives in their household, and any other individual or entity whose transactions and dealings in Securities are controlled or influenced by them.
- b. **Material Non-Public Information** – means any information that is confidential or has not been disclosed to the public, and must be of a nature that, if made public, would be likely to have a significant effect on the market price of the Company Securities, or could affect a person’s decision to Trade or hold such Securities under the circumstances.
- c. **Securities** – means shares of stock, including its debt instruments (like bonds, notes, certificates, and debentures), convertible securities, as well as derivative instruments.
- d. **Trade or Trading** – means the transfer of Securities from a seller to a buyer, in exchange for money.
- e. **Trading Blackout** – means the period within which Insiders are prohibited from Trading Securities of the Company.

III. PROHIBITION AGAINST INSIDER TRADING

Insiders are strictly prohibited from Trading in Securities of the Company while in possession of Material Non-Public Information. Insiders are also prohibited from sharing the said Material Non-Public Information to any person who might use the same to deal in such Securities.

IV. TRADING GUIDELINES

- a. There shall be a mandatory ten (10)-day Trading Blackout for Insiders prior to, and until two (2) trading days after, the release of the quarterly and annual financial statements of the Company to the public. The Compliance Officer of the Company may also declare a special Trading Blackout as he/she may deem necessary.
- b. No Insider who possesses any Material Non-Public Information Should Trade in the Company Securities from the time he/she acquires the said information, and until two (2) trading days after such information has been disclosed to the public.

V. REPORTORIAL REQUIREMENTS OF DIRECTORS AND OFFICERS

The directors and officers of the Company are legally required to report their beneficial ownership in the Company Securities, including any changes thereof. For timely compliance with this requirement, said directors and officers must immediately inform the Office of the Compliance Officer of their beneficial ownership in the Company Securities, and any changes thereof, not later than five (5) trading days after their election or appointment, or not later than five (5) trading days after the acquisition or disposal of the Company Securities, in case of changes in beneficial ownership.

For purposes of complying with the foregoing reportorial requirements, a director's or an officer's beneficial ownership in the Company Securities shall include not only the Company Securities which he/she directly owns but also the Company Securities which are:

- a. held by members of his/her immediate family.
- b. held by a partnership in which he/she is a general partner.
- c. held by a corporation of which he/she is the controlling shareholder; and
- d. subject to any contract, arrangement or understanding which gives him/her voting power or investment power with respect to such Securities.

VI. CONSEQUENCES OF NON-COMPLIANCE

A breach of this policy may entail grave consequences in the form of civil and criminal liabilities, severe fines, and possible imprisonment. Naturally, failure to comply with this policy will likewise result in administrative charges that may lead to dismissal from, or termination of relationship with, the Company, regardless if such failure results in a violation of law.

VII. POLICY REVIEW

This policy shall be reviewed by the Board of Directors at least annually.

VIII. EFFECTIVITY

This Trading Policy shall take effect immediately.

THIS TRADING POLICY AS APPROVED BY THE BOARD ON 14 MAY 2018.