CONVERGE REPORTS RECORD RESULT FOR 4Q2020, DOUBLING ITS RESIDENTIAL SUBSCRIBER BASE TO MORE THAN ONE MILLION RESULTING IN 71% Y.O.Y REVENUE GROWTH (FY2020, Y.O.Y), AND INCREASED PROFITABILITY WITH PHP8.2Bn EBITDA (52.5% EBITDA MARGIN) AND PHP3.4Bn NET INCOME (21.6% NET INCOME MARGIN)

FY2020 Key Highlights

- **Converge continued to accelerate growth and profitability in FY2020 with 71% YoY revenue growth, 76% YoY EBITDA growth and EBITDA margins expanding from 51.0% in FY2019 to 52.5% in FY2020**
- **Strong subscriber growth contributed to 99% YoY residential revenue growth**
- **Enterprise business growing at 9% YoY in FY2020 as businesses are adapting to the new normal**
- **Record roll-out of almost 1.5 million new FTTH ports in FY2020 resulting in 25% household coverage across the Philippines and 43% household coverage in Luzon**
- **Continuous focus on capital efficiency resulting in 20% ROIC in FY2020**
- **On track to complete nationwide backbone expansion in 1H2021 and do full commercial launch in new regions in Visayas and Mindanao in 2H2021**

MANILA, Philippines, March 11, 2021 – The Philippines' largest and only pure-play high-speed fixed broadband operator, Converge Information and Communications Technology Solutions, Inc. (PSE: CNVRG) ("**Converge**") continued to deliver record results, doubling its subscriber base in 2020 and reaching approximately 1,038,000 residential subscribers by the end of December 2020. As the fastest growing fixed broadband operator in the Philippines, the Company deployed approximately 1.5 million new fiber-to-the-home ("FTTH") ports in FY2020 which is more than 1.75 times the number of FTTH ports deployed in FY2019. As at December 30, 2020, Converge's nationwide network reached more than 6.1 million homes, on track to reach the Company's target to cover approximately 55% of households in the Philippines by 2025.

Strong Financial Performance – Industry-leading Trifecta with 71% YoY Revenue Growth, 52.5% EBITDA Margin and 20% ROIC in FY2020

Solid Revenue Growth in both Residential and Enterprise Businesses

With strong and continued subscriber take-up, consolidated revenues grew by more than 71% from PHP9,139 million in FY2019 to PHP15,652 million in FY2020. Revenues from our residential business doubled from PHP6,354 million in 2019 to PHP12,628 million in 2020, driven by a 96% YoY growth in our subscriber base coupled with an improvement in residential average revenue per user ("ARPU"). On the other hand, enterprise revenues grew by around 9% YoY, from PHP2,786 million to PHP3,024 million as businesses in the Philippines are starting to adapt to the new normal.

With the growing demand for internet services, our residential subscriber base doubled during the year, reaching approximately 1,038,000 subscribers by December 2020 from 530,000 by the end of 2019. At the same time, we maintained our residential blended ARPU for FY 2020 at PHP1,298 in FY2020, in line with FY2019 level of PHP1,293.

Despite the COVID-19 pandemic-related headwinds in the Philippine enterprise connectivity market, our enterprise business continued to grow, generating PHP3,024 million in FY2020 representing a 9% YoY growth from FY2019. While we saw a dip in enterprise revenues in the second quarter of FY2020, enterprise revenues stabilized in the third and fourth quarters, as Converge saw a pick-up in demand from SME clients and recorded new wholesale contracts with government clients and large international global carriers.

Note:
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Record Profitability in 2020
Converge achieved an EBITDA of PHP8,218 million in FY2020, representing an increase of 76% from FY2019 and surpassing our YoY revenue growth of 71% in the same period. Our EBITDA growth reflects our industry leading revenue growth coupled with prudent management of direct costs, including our international bandwidth and leased line costs, and indirect costs such as our general and administrative expenses. As a result, Converge's consolidated EBITDA margins continued to expand from 51.0% in FY2019 to 52.5% in FY2020.

In September 2020, Converge started to draw down on its international capacity from the Telstra IRU (Indefeasible Right of Use) contract, reducing the need to lease additional international bandwidth capacity. This, together with prudent management of our other international lease agreements, has resulted in a reduction of bandwidth and leased line cost from 9.1% of total revenues in 2019 to 6.0% of total revenues in 2020. The continued improvement in EBITDA margin was also due to the Company's early investments in establishing a sustainable and scalable operating cost structure.

Net income after tax increased from PHP1,942 million in FY2019 to PHP3,388 million in FY2020. This resulted in an increase of Net Income margins to 21.6% in FY2020 from 21.3% the year prior, despite the increase in finance costs brought about by drawdowns in loan facilities. The Philippine Senate ratified the Corporate Recovery and Tax Incentives for Enterprises (CREATE) bill in February 2021, which has been transmitted for the signature by the President of the Philippines. If passed, the CREATE bill is expected to decrease our corporate income tax rate from currently 30% to 25%, effective July 1, 2020.

Industry Leading ROIC and Strong Balance Sheet
Converge's Return on Invested Capital ("ROIC") was 20.0% in FY2020 (see Annex I, Exhibit [7] for details). This industry-leading performance is a result of Converge's consistent disciplined approach in deploying capital to expand its fiber network, and tracking key capital efficiency indicators such as our port utilization ratios. Despite the substantial additions of almost 1.5 million new FTTH ports to our network in FY2020, Converge has been able to increase the blended port utilization ratio from approximately 26% in December 2019 to 30% in December 2020. As of December 2020, we had achieved an average utilization of 44% on all FTTH ports deployed in NCR in December 2019 (12 months after deployment) and an average utilization of 55% on all FTTH ports deployed in NCR in June 2019 (18 months after deployment).

Converge's balance sheet and cash flows remain strong with ample liquidity and gearing comfortably within bank covenants. After its IPO in October 2020 where Converge raised net proceeds of PHP7,828 million, the Company is in a net cash position (as measured by total financial debt less cash and cash equivalents) of PHP1,644 million as of December 31, 2020. In the first two months of 2021, the Company signed two seven-year credit facilities with an aggregate amount of PHP10,000 million (~US$208 million) with two leading Philippine commercial banks and one short term PHP1,000 million (~US$21 million) credit facility with a Philippine commercial bank, increasing Converge's total undrawn debt facilities to PHP30,400 million (~US$633 million) as of February 28, 2021. Our weighted average cost of debt from drawn debt facilities decreased from 5.14% in December 2019 to 5.06% in December 2020, reflecting a lower interest rate environment and increased strength of Converge's credit profile. We believe that our long-term debt facilities with five commercial banks, together with the Company's available cash and increasing operating cash flows, provide Converge with sufficient headroom to execute its capital expenditure plans in the mid-term.

Residential Subscriber Base Doubled in 2020

In November 2020, Converge reached the important milestone of one million residential subscribers and celebrated by providing free speed increases to its subscribers of up to 300Mbps. By end of 2020, the Company had approximately 1,038,000 residential subscribers, which is almost double the 2019 residential subscriber base of almost 530,000. In the last quarter we added a total of 176,944 new

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residential subscribers (gross adds), representing a 120% increase compared to the total gross subscriber additions in the fourth quarter of 2019. In the fourth quarter of 2020, more than 95% of these newly connected subscribers continue to be first time fixed broadband users, highlighting the unserved and underserved state of the broadband market in the Philippines.

Converge CEO Mr. Dennis Anthony Uy noted that, "*As the home became both office and classroom amid the global pandemic, we further accelerated our fiber network rollout to deliver high-speed broadband connectivity to more Filipinos, reaching underserved and unserved areas in the country*."

Converge's monthly residential churn rate was approximately 1.35% during the last three months of 2020, down from 1.63% in the third quarter of the same year. The low rate of voluntary churn (c. 5% of total churn) reflects Converge's ability to meet or exceed its customers' expectations on product quality, value for money and customer service.

Solid Performance of Enterprise Business Despite Challenges from Covid Pandemic

The Company's enterprise business continued to grow with a net addition of 1,007 customers during FY2020, which represents an increase of 10%. Many of these new additional customers included multi-site branches (e.g., retail clients with multiple nationwide branches), which require less bandwidth than our traditional large enterprise clients (e.g., financial institutions, BPOs). This increase in the number of our branch customers drove the decrease in monthly enterprise ARPU from PHP27,259 in 4Q2019 to PHP23,002 in 4Q2020.

In the fourth quarter of 2020, our enterprise business benefited from new contract wins, which include a large government contract to enhance connectivity in underserved low-income regions and a corporate wholesale project with a large global carrier for the use of our domestic backbone. The Company also soft launched four new products, one of which was the "*Dedicated Internet Access Time-of-Day*" which offers more capacity at certain pre-set periods of the day. This new enterprise product has been well received and was officially launched in February 2021.

Rapid Nationwide Expansion of Converge's Leading Fiber Optical Network

The Company continued to accelerate the nationwide rollout of its leading fiber network throughout 2020. More than 28,300 kilometers of fiber optic cables were added during the year, expanding our backbone and distribution network by 106% from about 26,700 kilometers laid down at the end of 2019 to approximately 55,000 kilometers at the end of 2020. We started 2020 covering 167 cities and municipalities. With our network expansion, we were able to extend our coverage to additional 149 cities and municipalities by end of the year, reaching more areas in Rizal, La Union, San Juan, Pangasinan, Nueva Ecija, and many more.

The Company was able to install its highest number of ports in a year during 2020, with almost 1.5 million ports installed, 97% of which being FTTH ports. With our total 3.5 million deployed ports, our network coverage reached 25% of nationwide households. The Company continues to be on track to achieve its target of reaching approximately 55% of total households in the country by 2025.

In FY2020, Converge's expansion to the Visayas and Mindanao regions has been progressing as planned and we plan to substantially complete our backbone in these new regions in 1H2021, allowing us to fully commercially launch services by 2H2021. As of March 2021, we were able to secure approximately 80% of the necessary Environmental Compliance Certificates ("ECCs") for the landing stations of our planned nationwide submarine cable network that will connect the main islands of the Philippine archipelago.

Apart from the regional expansion of our network, Converge is dedicated to improving the quality of services it provides to the existing coverage areas. The Company has invested in hardening the network to increase redundancy and network quality. Previously, the main network backbone of Converge was connected to two core nodes located in Metro Manila and Pampanga. With the completion of a third core network backbone node last December, the Converge end-to-end pure fiber network became stronger and more resilient with a more efficient network traffic distribution and better ability to address outages.

With the improvements we are implementing to our systems, Converge strives to ensure that subscribers can enjoy the benefits of quality internet services, including video streaming. Converge again ranked first in Netflix's ISP Speed Index for the Philippines in December 2020, which ranks internet service providers in terms of prime-time Netflix performance. "*Netflix's stories are best delivered on a strong internet network, which is not only about speed but also about latency, jitter and packet loss*." said Converge COO Jesus "Boboy" Romero.

Strategic Commitment to Leading Customer Experience

The Company continues to commit to providing a quality customer experience for both existing and potential new subscribers. Converge continues to be highly focused on enhancing the overall customer experience by strengthening its customer care functions and digitizing the journey of our customers.

"*We have always been focused on giving our customers the best possible experience. Thus, we have doubled our customer contact agents, bringing our answer call rate to nearly 90% in the fourth quarter of last year. At the same time, we are continuously scaling up our installation and repair teams. All these initiatives are supported by sustained investments in our customer digital infrastructure to further improve customer experience*," said Converge President and Chief Resources Officer Grace Uy.

To be able to service the surge in demand for our products throughout 2020, the Company more than doubled the number of installation teams as compared to before the ECQ lockdown, enabling us to substantially reduce the backlog of installation in 4Q2020. In December 2020, Converge installed 86% of new NCR subscribers within seven days and 64% within one day of application, respectively. These augmentations, combined with improvements in the customer onboarding and installation process, will allow us to further increase rapid conversion from application to installation.

During the third quarter, the Company rolled out its mobile application Converge Xperience App, which offers a convenient channel for its customers to review and pay their bills, and also allows customers to log tickets online. As of December 2020, our Converge Xperience App has been downloaded more than 348,000 times, allowing us to communicate with approximately one third of our subscriber base through this new mobile customer engagement channel. Converge also onboarded around 350 new outsourced contact center agents in FY2020, to respond to customer queries, leading to reduced drop call rates for both our customer care and service desk teams. In the fourth quarter of 2020, our Answer Call Rate stood at an average of 87%, up from 76% in the third quarter of the year.

2021 Consolidated Outlook

Converge is on track to reach its mid-term goal of approximately 55% nationwide household coverage by 2025. This outlook is supported by our "Go National" strategy, with the anticipated completion of the Company's national backbone network expansion to Visayas and Mindanao within the first half of this year, and "Go Deep" strategy, where we continuously branch out and increase our distribution reach and last mile network within existing coverage areas. We expect to spend approximately PHP20 billion of total Capex for FY2021, including the capital required for the expansion of our backbone and the deployment of additional FTTH ports to reach approximately 35% of household in the Philippines by December 2021. We expect that strong demand for reliable high-speed broadband will result in continuous growth of our residential subscriber base to approximately 1.6-1.7 million by the end of 2021.

Similarly, we believe that enterprise represents a significant growth opportunity for Converge and we plan to further penetrate this segment. Demand from enterprise customers is projected to accelerate in 2021, notably driven by an expected recovery of the SME segment, resulting in total expected consolidated YoY revenue growth of approximately 10% in FY2021, subject to market recovery from Covid pandemic impact.

Driven by strategic cost initiatives and increased economies of scale, we believe that Converge will be able to continue to expand its EBITDA margins in FY2021. In addition, the Philippines Senate and the House of Representatives ratified the Corporate Recovery and Tax Incentives for Enterprises (CREATE) bill in February 2021, which will lower the corporate income tax rate for large corporates from 30% to 25%. We expect that increasing EBITDA margins together with the decrease in our corporate income tax rate, will further increase our Net Income margins in FY2021.

Finally, Converge will continue to be highly focused on capital efficiency when rolling out its end-end fiber network. While we expect to incur some one-off capital expenditures in FY2021 from the construction of our domestic subsea cables, we will aim to keep our FY2021 ROIC in the high teens.

"Converge has built a fiber network that's ready to serve the expected sustained demand for quality high-speed broadband. Our dream is to provide the majority of Filipinos with world-class internet services through our fiber network," said Converge CEO Dennis Uy.

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Note:
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ANNEX I

Exhibit 1: Summary Statement of Comprehensive Income

	For the twelve months ended December 31				For the three months ended December 31			
	2020	**2019**	**YoY change**	**YoY change %**	**2020**	**2019**	**YoY change**	**YoY change %**
				(in ₱ millions)				
Revenues	15,652	9,139	6,513	71%	4,975	2,745	2,229	81%
Residential	*12,628*	*6,354*	*6,274*	*99%*	*4,215*	*1,924*	*2,291*	*119%*
Enterprise	*3,024*	*2,786*	*238*	*9%*	*760*	*822*	*(61)*	*-7%*
Cost of services	(7,065)	(4,441)	(2,624)	59%	(2,121)	(1,328)	(792)	60%
Gross profit	8,588	4,699	3,889	83%	2,854	1,417	1,437	101%
General and administrative expenses	(2,772)	(1,415)	(1,357)	96%	(1,001)	(435)	(566)	130%
Provision for impairment of trade and other receivables	(720)	(530)	(191)	36%	(230)	(160)	(69)	43%
Unrealized fair value loss on financial asset at FVTPL	(26)	-	(26)	N/M	14	-	14	N/M
Other income (loss), net	360	18	342	N/M	194	31	163	N/M
Profit from operations	5,429	2,772	2,657	96%	1,832	853	979	115%
Finance costs	(550)	(275)	(275)	100%	(96)	(53)	(43)	81%
Profit before income tax	4,879	2,497	2,381	95%	1,736	800	936	117%
Income tax expense	(1,491)	(593)	(898)	152%	(539)	(230)	(309)	134%
Profit after income tax for the year/ period	**3,388**	**1,905**	**1,483**	**78%**	**1,198**	**570**	**627**	**110%**
Other comprehensive income								
Remeasurement gain on retirement benefit obligation, net of tax	(47)	45	(92)	-204%	(28)	18	(46)	-253%
Total comprehensive income for the year/ period	3,341	1,950	1,391	68%	1,170	589	581	99%
Profit after income tax[(1)]	3,388	1,942	1,446	74%	1,198	571	627	110%
Finance costs	550	275	275	100%	96	53	43	81%
Income taxes	1,491	593	898	151%	539	230	309	134%
Depreciation and amortization – cost of services	2,303	1,532	771	50%	652	442	210	48%
Depreciation and amortization – general and administrative expenses	156	135	21	16%	50	54	(4)	-7%
Amortization of subscriber acquisition costs	330	171	159	93%	108	55	53	96%
Other adjustments[(1)]	-	19	(19)	-100%	-	-	-	-
EBITDA	**8,218**	**4,665**	**3,553**	**76%**	**2,643**	**1,405**	**1,238**	**88%**
EBITDA Margin	**52.5%**	**51.0%**			**53.1%**	**51.2%**		

Notes:
(1) 2019 figures consider proforma adjustments

Exhibit 2: Quarterly Operational Performance Summary

	2019				2020				QoQ Growth 4Q2019 vs 4Q2020
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Residential Business									
Revenues	**1,256**	**1,456**	**1,718**	**1,924**	**2,287**	**2,691**	**3,435**	**4,215**	**119%**
FTTH	675	858	1,091	1,325	1,614	1,992	2,679	3,509	165%
HFC	581	598	627	599	673	698	756	707	18%
Customers	**324,994**	**381,343**	**454,438**	**53629**	**615,466**	**731,563**	**900,531**	**1,038,321**	**96%**
FTTH	166,711	208,879	268,883	330,621	405,784	512,597	673,005	822,791	149%
HFC	158,283	172,464	185,555	199,008	209,682	218,966	227,526	215,530	8%
Homes Passed	**1,705,763**	**2,094,160**	**2,606,577**	**3,221,743**	**3,599,533**	**4,111,661**	**5,112,591**	**6,177,845**	**92%**
FTTH[1]	992,474	1,352,442	1,835,354	2,423,944	2,789,112	3,301,240	4,281,768	5,342,008	120%
HFC[2]	713,289	741,718	771,223	797,799	810,421	810,421	830,823	835,837	5%
Ports	**1,209,526**	**1,417,939**	**1,688,900**	**2,009,771**	**2,204,977**	**2,461,041**	**2,971,707**	**3,506,841**	**74%**
FTTH[3]	496,237	676,221	917,677	1,211,972	1,394,556	1,650,620	2,140,884	2,671,004	120%
HFC[4]	713,289	741,718	771,223	797,799	810,421	810,421	830,823	835,837	5%
Household Coverage[5] (%)	**6.9%**	**8.5%**	**10.5%**	**13.0%**	**14.5%**	**16.6%**	**20.6%**	**24.5%**	**92%**
ARPU[6]	**1,362**	**1,320**	**1,330**	**1,283**	**1,284**	**1,287**	**1,352**	**1,408**	**10%**
FTTH	1,510	1,454	1,454	1,407	1,417	1,405	1,467	1,516	8%
HFC	1,224	1,168	1,164	1,091	1,046	1,033	1,046	1,044	-4%
Customer Churn[7] (%)	**1.11**	**0.45**	**0.53**	**0.37**	**0.39**	**1.08**	**1.63**	**1.35**	**266%**
FTTH	0.11	0.26	0.38	0.34	0.34	0.78	1.28	0.61	79%
HFC	2.06	0.67	0.73	0.41	0.49	1.74	2.55	3.84	N/M
Port Utilization[8] (%)	**26.9**	**26.9**	**26.9**	**26.4**	**27.9**	**29.7**	**30.3**	**29.6**	**12%**
FTTH	33.6	30.9	29.3	27.3	29.1	31.1	31.4	30.8	13%
HFC	22.2	23.3	24.1	24.9	25.9	27.0	27.4	25.8	3%
Enterprise Business									
Revenues	**602**	**628**	**734**	**822**	**851**	**661**	**752**	**760**	**-8%**
Customers	**7,803**	**8,883**	**9,621**	**10,083**	**10,378**	**10,498**	**10,953**	**11,090**	**10%**
ARPU[9]	**27,785**	**24,989**	**25,574**	**27,259**	**27,714**	**21,126**	**23,370**	**23,002**	**-16%**
Customer Churn[10] (%)	**0.15**	**0.08**	**0.16**	**0.33**	**0.30**	**0.33**	**0.49**	**1.61**	**381%**

Notes:

(1) FTTH homes passed is derived from the number of homes within a 300-meter radius from a network access point ("**NAP**") that we have installed in a coverage area. Each NAP has eight or sixteen ports, and one port serves one home.

(2) HFC homes passed refers to the number of homes and other residential units that are within a 200-meter radius from our HFC ports, and can be connected to our network.

(3) The number of FTTH ports installed represents both activated FTTH connections and ports available for immediate activation once a new subscription is approved.

(4) The number of HFC ports installed refers to a slot on a network device allowing for the transmission of data between our HFC network and the equipment at the customer premises.

(5) Household coverage is calculated as total homes passed over total number of homes in the Philippines, which is 25.2 million as of 2020, according to MPA.

(6) Monthly ARPU for our Residential Business is calculated by dividing (i) the revenue generated during a period by (ii) the average number of subscribers during that period, then dividing the quotient by the number of months during that period. The average number of subscribers during a period, is calculated by the sum of the subscribers at the beginning and at the end of the period, divided by two.

(7) Blended churn rate refers to the combined FTTH and HFC churn rate. Churn rate for our Residential Business is calculated by dividing (i) the sum of the number of permanent subscriber discontinuations in a month, by (ii) the average number of subscribers during the respective month and multiplying the result by 100%. The average number of subscribers during a month, is calculated by the sum of the subscribers at the beginning and at the end of the month, divided by two.

(8) Our port utilization rates for our FTTH network is our number of FTTH subscribers as a percentage of total FTTH ports and for our HFC network is our number of HFC subscribers as a percentage of HFC homes passed.

(9) ARPU for our Enterprise Business is calculated by dividing (i) the revenue generated during a period by (ii) the average number of enterprise users during that period, then dividing the quotient by the number of months during that period. The average number of enterprise users during a period, is calculated by the sum of the enterprise users at the beginning and at the end of the period, divided by two.

(10) Customer churn rate for our Enterprise Business is calculated by dividing (i) the sum of the number of permanent customer deactivations in a month, by (ii) the average number of customers during the respective month and multiplying the result by 100%. The average number of customers during a month is calculated by the sum of the circuits at the beginning and at the end of the month, divided by two.

Exhibit 3: Cost of Services, G&A Expenses and Provisions

	For the twelve months ended December 31				For the three months ended December 31			
	2020	2019[1]	YoY change	YoY change %	2020	2019	YoY change	YoY change %
				(in ₱ millions)				
Depreciation and amortization	2,303	1,532	772	50%	652	442	210	48%
Network materials and supplies used	1,370	796	574	72%	563	252	311	123%
Bandwidth and leased line costs	946	829	117	14%	(52)	250	(302)	-121%
Amortization of deferred contract cost	827	355	471	133%	293	127	166	130%
Service fees	618	344	274	79%	175	103	72	69%
Personnel costs	399	229	170	74%	174	52	122	236%
Rent	197	112	85	76%	100	32	68	214%
Utilities	76	93	(17)	-18%	16	32	(16)	-50%
Provision for inventory obsolescence	2	28	(26)	-93%	2	8	(6)	-73%
Retirement benefit expense	6	13	(7)	-55%	4	3	1	38%
Others	321	110	212	193%	193	27	167	N/M
Total cost of services	**7,065**	**4,441**	**2,624**	**59%**	**2,121**	**1,329**	**792**	**60%**
Gross profit	**8,588**	**4,699**	**3,889**	**83%**	**2,854**	**1,416**	**1,438**	**101%**
Gross profit margin	**54.9%**	**51.4%**			**57.4%**	**51.6%**		

	For the twelve months ended December 31				For the three months ended December 31			
	2020	2019	YoY change	YoY change %	2020	2019	YoY change	YoY change %
				(in ₱ millions)				
Personnel costs	1,050	520	531	102%	292	152	140	92%
Commission expense	264	82	182	222%	136	26	109	414%
Professional fees	216	89	127	142%	61	26	35	136%
Depreciation and amortization	156	135	21	16%	50	54	(4)	-7%
Outside services	150	106	44	42%	40	31	9	28%
Repairs and maintenance	144	76	69	90%	41	24	17	69%
Taxes and licenses	142	93	49	53%	60	28	33	117%
Utilities	105	64	41	64%	46	12	34	281%
Promotions	75	51	24	47%	34	22	12	54%
Other general and administrative expenses	470	199	270	135%	242	60	182	305%
Total G&A expenses	**2,772**	**1,415**	**1,357**	**96%**	**1,001**	**435**	**566**	**130%**
Provision for impairment of receivables	(720)	(530)	(191)	36%	(230)	(160)	(69)	43%
Unrealized fair value gain/(loss) on financial asset at FVTPL	(26)	-	(26)	N/M	14	-	14	N/M
Other income/(expenses)	360	18	342	N/M	194	31	163	N/M
Operating profit	**5,429**	**2,772**	**2,657**	**96%**	**1,832**	**854**	**979**	**115%**
Operating profit margin	**34.7%**	**30.3%**			**36.8%**	**31.1%**		

2019 EBITDA and Net income figures presented in the body of the press release consider proforma adjustments

CONVERGE ICT SOLUTIONS INC.

Exhibit 4: Other Income/(Expenses) Statement Items

	For the twelve months ended December 31				For the three months ended December 31			
	2020	2019[1]	YoY change	YoY change %	2020	2019	YoY change	YoY change %
	(in ₱ millions)							
Net foreign exchange gain (loss)	270	19	251	N/M	112	24	88	372%
Gain on transfer of network materials	73	11	62	N/M	42	4	38	N/M
Interest income - cash and cash equivalents	36	4	32	N/M	14	3	11	344%
Management fees	2	2	0	-14%	0	(1)	1	159%
Interest income – financial assets at FVTPL	2	-	2	100%	2	-	2	N/M
(Loss) gain on disposal of property, plant and equipment	(51)	-	(51)	N/M	6	-	6	100%
Loss on disposal of financial asset at FVTPL	-	(19)	19	-100%	-	(0)	-	N/M
Miscellaneous expense	29	1	28	N/M	18	1	17	N/M
	360	**18**	**342**	**N/M**	**194**	**31**	**163**	**N/M**
Profit from operations	5,429	2,772	2,657	96%	1,832	853	980	115%
Finance cost	(550)	(275)	(275)	100%	(96)	(53)	(43)	81%
Profit before income tax	4,879	2,497	2,381	95%	1,736	800	937	117%
Income tax expense	(1,491)	(593)	(898)	152%	(539)	(230)	(309)	134%
Net income	**3,388**	**1,905**	**1,483**	**78%**	**1,197**	**570**	**628**	**110%**
Net income margin	**21.6%**	**20.8%**			**24.1%**	**20.8%**		

CONVERGE ICT SOLUTIONS INC.

Exhibit 5: Summary Balance Sheet

	For the twelve months ended December 31			
	2020	2019	YoY change	YoY change %
	(in ₱ millions)			
Current assets	**21,271**	**10,854**	**10,417**	**96%**
Cash and cash equivalent	12,957	6,233	6,724	108%
Trade and other receivables, net	2,173	2,106	67	3%
Network materials and supplies	2,031	963	1,068	111%
Other current assets	4,109	1,552	2,558	165%
Noncurrent assets	**35,441**	**20,306**	**15,135**	**75%**
Property, plant and equipment, net	28,127	15,940	12,187	76%
Intangible assets, net	1,155	670	485	72%
Other noncurrent assets	6,160	3,696	2,463	66%
Total assets	**56,712**	**31,159**	**25,553**	**82%**
Current liabilities	**15,385**	**10,160**	**5,225**	**51%**
Trade and other payables	13,253	7,176	6,077	85%
Loans payable, current portion	731	1,098	(367)	-33%
Dividends payable	-	808	(808)	-100%
Other current liabilities	1,401	1,079	322	30%
Noncurrent liabilities	**13,552**	**8,831**	**4,720**	**53%**
Loans payable, net of current portion	10,583	6,852	3,731	54%
Other noncurrent liabilities	2,969	1,980	989	50%
Total liabilities	**28,937**	**18,992**	**9,945**	**52%**
Total equity	**27,775**	**12,168**	**15,607**	**128%**
Total liabilities and equity	**56,712**	**31,159**	**25,553**	**82%**

CONVERGE ICT SOLUTIONS INC.

Exhibit 6: Liquidity and Capital Resources

	December 31, 2020	December 31, 2019	YoY Change (%)
Balance Sheet Data (in ₱ millions)			
Total Assets	56,712	31,159	82%
Total Debt[1]	11,314	7,950	42%
Total Stockholders' Equity	27,775	12,168	128%
Financial Ratios			
Total Debt to EBITDA (gross)	1.4x	1.7x	
Total Debt to EBITDA (net)	-0.2x	0.4x	
Debt Service Coverage[2]	3.0x	2.4x	
Interest Coverage (gross) [3]	14.9x	16.8x	
Debt to Equity (gross) [4]	0.4x	0.7x	
Debt to Equity (net) [5]	-0.1x	0.1x	

Notes:
(1) Total Debt is the sum of current and noncurrent loans payable
(2) Debt Service Coverage is computed as EBITDA divided by the sum of current loans payable, interest expense, and current lease liabilities
(3) Interest Coverage (gross) is computed as EBITDA divided by finance costs
(4) Debt to Equity (gross) is computed as total debt divided by total shareholders' equity
(5) Debt to Equity (net) is computed as the difference between total debt and cash and cash equivalents divided by total shareholders' equity

Exhibit 7: Property, plant, and equipment

	For the twelve months ended December 31			
	2020	2019	YoY change	YoY change %
	(in millions)			
Outside Plant and Construction in Progress..................................	9,563	6,672	2,891	43%
Inside Plant..	2,926	1,826	1,100	60%
Customer Premises Equipment..	1,510	638	872	137%
Others..	512	379	133	35%
Total additions to property, plant and equipment	**14,512**	**9,516**	**4,996**	**52%**
Total cash capital expenditures[1]	**14,647**	**7,438**	**7,209**	**97%**
Cash capital expenditures[1] / Revenue	**93.6%**	**81.4%**		
ROIC[2][3]	**20.0%**	**19.7%**		

Notes:
(1) Include property, plant and equipment, intangibles and right-of-use assets, acquired as of report date
(2) Return on Invested Capital is tax-adjusted (30% assumed effective tax rate) profit from operations divided by average invested capital. Invested Capital is the sum of our total equity and total debt (comprising loans payable (non-current and current portions)), less cash and cash equivalents and capital expenditures in progress
(3) IPO proceeds of PHP7,828MM excluded from FY2020 ROIC calculations, as proceeds will start to be utilized in FY2021

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