

**CONVERGE REPORTS INDUSTRY-LEADING RESULTS FOR 1Q2021,
POSTING 83.6% Y.O.Y REVENUE GROWTH,
RECORD PROFITABILITY WITH ₱3.1Bn EBITDA (55.0% EBITDA MARGIN) AND
₱1.6Bn NET INCOME (27.9% NET INCOME MARGIN)**

1Q2021 Key Highlights

- **Converge continues to deliver record growth and profitability in 1Q2021 from 1Q2020 with 83.6% YoY revenue growth, 101.6% YoY EBITDA growth**
- **EBITDA margins expanding from 50.1% in 1Q2020 to 55.0% in 1Q2021**
- **Net income after tax almost tripled from ₱574 million in 1Q2020 to ₱1,549 million in 1Q2021**
- **Strong subscriber growth coupled with ARPU expansion contributed to 109.8% YoY residential revenue growth**
- **Roll-out of 0.5 million new FTTH ports in 1Q2021 resulting in 28% household coverage across the Philippines and 50% household coverage in Luzon**
- **Continuous focus on capital efficiency resulting in 23.1% ROIC in 1Q2021**
- **Nationwide backbone expansion to Visayas and Mindanao largely completed, with commercial launch in selected regions on track for 2H2021**

MANILA, Philippines, May 17, 2021 – The Philippines’ only pure-play high-speed fixed broadband operator, Converge Information and Communications Technology Solutions, Inc. (PSE: CNVRG) (“**Converge**”) continued to deliver strong results during 1Q2021, reaching almost 1,182,000 residential subscribers by the end of the quarter. As the fastest growing fixed broadband operator in the Philippines, the Company deployed almost 0.5 million new fiber-to-the-home (“FTTH”) ports in during the quarter, almost twice the number of FTTH ports deployed during the same quarter the previous year. As of March 31, 2021, Converge’s nationwide network reached more than 7.1 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 83.6% YoY Revenue Growth from 1Q2020 to 1Q2021, 55.0% EBITDA Margin and 23.1% ROIC

Continued Strong Revenue Growth driven by our Residential Business

With strong and continued subscriber take-up, consolidated revenues grew by 83.6% from ₱3,021 million in 1Q2020 to ₱5,547 million in 1Q2021. Revenues from our residential business more than doubled from ₱2,287 million in the first quarter of 2020 to ₱4,797 million in the same period of 2021, driven by a 92% YoY growth in our subscriber base coupled with an 8% improvement in residential average revenue per user (“ARPU”). On the other hand, enterprise revenues grew slightly by almost 2.2% YoY, from ₱734 million to ₱750 million due to the impact of the pandemic on the various businesses in the country, which started around March 2020.

Residential subscribers grew to almost 1,182,000 as of March 31, 2021 from 615,466 as of March 31, 2020. During 1Q2021 and based on publicly available information, Converge captured 48% market share of fixed broadband net adds amongst the three largest broadband operators in the Philippines, representing an increase in fixed broadband market share from 19% in March 2020 to 27% in March 2021. Reflecting the high demand for fixed broadband connectivity services in the Philippines, we estimate that c. 95% of our new subscribers in 1Q2021 were first time fixed broadband users. Driven by continuous demand for our fiber plans including increased take-up of add-on plans and premium packages, our monthly residential blended ARPU also improved from ₱1,284 during 1Q2020 to ₱1,390 in 1Q2021.



Revenues from our enterprise business grew by 2.2% YoY. Driven by our commitment to help uplift the local economy, especially during these unpredictable times, Converge launched a new SME plan Converge flexiBIZ in March 2021. The successful launch of flexiBIZ allowed us to grow our base of SME customers in 1Q2021, resulting in our overall enterprise customer base increasing from 10,378 unique customers as of March 31, 2020 to 12,400 as of March 31, 2021. This increase in our SME subscriber base also tempered our ARPU which declined from ₱23,910 during 1Q2020 to ₱21,269 in 1Q2021.

Strong Profitability Growth in 1Q2021 driven by Increased Scale and Cost Management Initiatives

Our continued prudence in the management of direct costs, such as our international bandwidth and leased line costs and increasing operating leverage contributed significantly to continuous EBITDA growth. Converge achieved a record quarterly EBITDA of ₱3,052 million in 1Q2021, representing an increase of 101.6% from 1Q2020. As a result, Converge's consolidated EBITDA margins grew to 55.0% in 1Q2021 from 50.1% in 1Q2020.

In September 2020, Converge started to draw down on its international capacity from the Telstra Indefeasible Right of Use ("IRU") contract, reducing the need to lease additional international bandwidth capacity. This, together with prudent management of our other international lease agreements, resulted in a reduction of bandwidth and leased line costs from 10.0% of total revenues in 1Q2020 to 5.0% of total revenues in 1Q2021. As we continue to grow our revenue base, we continue to benefit from increasing operating leverage, reflecting the scalable operating cost structure of Converge. For example, our total personnel cost decreased from 10.0% of total revenues in 1Q2020 to 7.6% of total revenues in 1Q2021.

Net income after tax almost tripled from ₱574 million in 1Q2020 to ₱1,549 million in 1Q2021. This resulted in an increase of Net Income margins to 27.9% in 1Q2021 from 19.0% the same quarter the year prior. Finance costs were lower in 1Q2021 due to repayment of outstanding loans. In addition, with the Corporate Recovery and Tax Incentives for Enterprises ("CREATE") bill signed into law, our effective corporate income tax rate was reduced to 21% during 1Q2021.

Industry Leading ROIC and Strong Balance Sheet

Converge's Return on Invested Capital ("ROIC") improved to 23.1% in 1Q2021 from 20.0% during FY2020. This industry-leading performance is a result of Converge's increased net profits in 1Q2021 and its consistent disciplined approach in deploying capital to expand its fiber network, and tracking key capital efficiency indicators such as our port utilization ratios. Converge has been able to maintain the blended port utilization ratio of 30% from December 2020 to March 2021, despite deploying almost 0.5 million FTTH ports during the quarter. As of March 31, 2021, we had achieved an average utilization of 38% on all FTTH ports deployed in NCR in the month of March 2020 (12 months after deployment) and an average utilization of 57% on all FTTH ports deployed in NCR in the month of September 2019 (18 months after deployment).

Converge has been able to maintain its strong balance sheet and cash flows with ample liquidity and gearing comfortably within bank covenants. The Company's net debt position (as measured by total financial debt less cash and cash equivalents) is at ₱230 million as of March 31, 2021. In the first two months of 2021, the Company signed two seven-year credit facilities with an aggregate amount of ₱10.0 billion with two leading Philippine commercial banks and one short-term ₱1.0 billion credit facility with a Philippine commercial bank. Converge's total undrawn debt facilities amounted to PHP29.4 million (~US\$607 million) as of March 31, 2021. Our weighted average cost of debt from drawn debt facilities decreased from 5.4% in March 2020 to 4.9% in March 2021, 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.

Completed Connecting Visayas and Mindanao to our Nationwide Backbone in April 2021

The Company continued the rapid expansion of its nationwide fiber network. Almost 9,600 kilometers of fiber optic cable were added during the first quarter of the year, expanding our backbone and distribution network to more than 64,600 kilometers from about 55,000 kilometers laid down at the end of 2020. By April 2021, our fiber backbone had reached 69,000 kilometers. With our network expansion, we were able to extend our coverage to an additional 36 cities and municipalities during 1Q2021, extending our services this quarter to provinces including Ilocos Sur, Pangasinan, Nueva Vizcaya, Nueva Ecija, Albay, and Batangas, among others allowing us to reach a total of 352 cities and municipalities as of March 31, 2021.

As of April 2021, Converge's expansion to the Visayas and Mindanao regions ("VisMin") has been progressing as planned and hitting significant milestones. Our fiber cables have reached the shores of major VisMin cities of Cebu and Cagayan de Oro in April. The first phase of our ambitious VisMin backbone expansion project aims to complete seven inter-island subsea cable links, to allow Converge to complete a nationwide backbone stretching from the northern tip of Luzon to the Philippine's main southern island of Mindanao. As of the end of April 2021, we have completed five of the seven links and are on track to complete the remaining two links within 2Q2021, allowing us to launch our services commercially in VisMin by the second half of this year. After soft launching our services in Cebu in November 2020, we have also soft launched on a small scale in Mindanao's main city of Davao in April 2021, allowing us to test the markets ahead of our commercial launch.

Launched Innovative Products to Provide Better Value Plans to Customers

The Company recognized the need of our enterprise customers for flexibility in connectivity speeds during certain periods of the day. To address this requirement for flexibility, we launched our Dedicated Internet Access Time of Day product in February 2021. This provides our enterprise customers with customized internet options with double their subscribed bandwidth during their chosen preset period, without having to double their monthly subscription fee. Likewise, our SME customers can now avail of the flexiBIZ plan where internet speeds are doubled during peak working hours of the day (7:00AM – 6:59PM).

We also launched the Converge FiberX Time of Day plan for our residential subscribers, to give our customers the option to avail of higher bandwidth at during the period of their choosing. Households can opt for higher bandwidth for work from home and online schooling requirements during the day, or alternatively, select seamless consumption of bandwidth intensive entertainment content such as online games and video streaming at night. We offer Day Plan or Night Plan, which similarly boosts their speed to twice of their subscribed plan during their chosen time of day.

"Right now, for our customers to better adjust to the changing norms, they need a tool that adjusts to them, as well. By introducing our Converge Time of Day products, we aim to provide our subscribers from all segments custom internet options, giving them more bandwidth when needed and, equally important, enabling them to save on costs," Converge Chief Operations Officer Jesus Romero said.

Continued Commitment to Improving 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 our customer care functions and digitizing the journey of our customers.

In March 2021, Converge installed more than 91% of new NCR subscribers within seven days and 50% within one day of application, respectively. In addition, we have continued to expand our contact agent team by adding more than 150 seats during the first quarter to cater to our customer queries from our



expanding subscriber base. Our Answer Call Rates, which measures the number of voice calls that our contact centers answered during the quarter divided by all of the voice calls received (during both peak and off-peak hours), further improved from 87% during 4Q2020 to 94% during 1Q2021.

During the third quarter of last year, 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 allows customers to log tickets online. As of March 31, 2021, more than 433,000 subscribers have registered in the application, representing 37% of residential subscribers as of the end of the period. We intend to continue refining and upgrading our mobile application using new technologies for innovation, which will provide new ways of customer engagement.

We believe that “self-help” is a key factor to swiftly and efficiently address potential customer issues. As a new feature on our mobile application, registered subscribers can now monitor the health status of their routers, specifically the speed and temperature of the device. This allows the subscriber to detect possible causes of unreliable connectivity and provide first aid using step-by-step instructions presented in our mobile application.

Announced International Bandwidth Capacity Investment into the 15,000 km transpacific cable system “Bifrost”

In April 2021, Converge signed a binding term sheet with Keppel Telecommunications & Transportation’s wholly-owned subsidiary, Keppel Midgard Holdings Pte. Ltd. (“KMH”) to grant Converge an IRU for one fiber pair on the main trunk of Bifrost Cable System, which directly connects Singapore to the west coast of North America. KMH and Converge will also jointly develop a branch on the Bifrost Cable System that will land in Davao, Philippines, with Converge also being granted an IRU on the entire Davao branch. The additional branch will significantly increase internet speeds and network diversity for businesses and consumers in the Philippines. Converge will invest over U.S.\$100 million (around ₱5 billion) for the whole project. The completion of the proposed transaction is subject to negotiation and execution of definitive agreements, and relevant regulatory approvals.

Expected to be completed in 2024 and spanning over 15,000 km, the Bifrost Cable System is the world’s first subsea cable system that directly connects Singapore to the west coast of North America via Indonesia through the Java Sea and Celebes Sea. It will connect Singapore, Indonesia, the Philippines, Guam, and the west coast of North America. In line with Converge’s strategy to secure proprietary access to international bandwidth on certain key international routes, we plan to use the bandwidth on the Bifrost cable system to secure sustainable and cost-efficient international connectivity for Converge, while also exploring the possibility to re-sell international bandwidth to third parties through wholesale agreements.

Recognitions Received for Reliable Performance and Rampant Growth

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 monthly ISP Speed Index for the Philippines during the first three months of the year, which ranks internet service providers in terms of prime-time Netflix performance.

Converge has nearly doubled its average download speed, the strongest speed increase among internet service providers in the country to an average 42.43 Mbps download speed in the first quarter of the year compared to the average 28.88 Mbps in the previous quarter, according to quarterly speedtest data from Ookla. Ookla also recently validated that Converge delivered the most consistent speed among fixed broadband providers in Metro Manila, Calabarzon (Cavite-Laguna-Batangas-Rizal-Quezon), Ilocos, Central Luzon, and the Cordillera Administrative Region in the first quarter of the year.



“We’ve always had our customers’ needs in mind. From our free speed increase to all plans late last year to introducing new products like the Converse FiberX Time of Day, we are all about better experiences for our subscribers,” according to Mr. Uy.

Also, based on thousands of consumer-initiated tests taken with Speedtest®, Converse results showed an average latency rate of 13 milliseconds (ms) and jitter rate of 25 ms which is also the best among local internet providers. Latency or commonly called ping refers to the reaction time of your connection, from how quickly your device gets a response after a request has been sent while the jitter rate shows the variability in ping over time.

Converse also received multiple awards for its rampant growth in recent years amid its brisk expansion to reach unserved and underserved markets. Converse was awarded the Fastest Growing Fiber Internet Service Provider in the 2020 International Finance Awards for the second year running for its continuous commitment to improve Filipinos’ connectivity.

More recently, Converse was recognized as a regional and national ‘Growth Champion’ by consumer data firm Statista, together with international publications Financial Times and Nikkei Asia, and the Philippine Daily Inquirer. The survey which covered 2016 to 2019 revenue growth reported Converse as the third fastest-growing company in the country. This landed Converse on the 135th spot in Statista’s annual ‘500 High Growth Companies’ list in the whole of Asia.

The Nordic Chamber of Commerce of the Philippines also lauded Converse at the 2021 Nordic Sustainability Awards last March. Converse was named the chamber’s Growth Business Partner of the Year, owing to the company’s tremendous growth, while adhering to sustainability goals as a guiding principle.

Launched Online Education Partnership with the Department of Education and Promoted Safer Digital Experience for Children

In April 2021, Converse together with its affiliate Pacific Kable Net entered into a partnership with Philippine’s Department of Education (“DepEd”) to innovate the online delivery of education in the country. DepEd Secretary Leonor Magtolis Briones led the virtual signing of a tripartite Memorandum of Agreement that will pave the way for the use of their fiber connectivity and cable TV channels at no cost to the DepEd to ensure the delivery of digital learning materials to learners.

Converse CEO and Founder Dennis Anthony Uy noted that the company, together with local government partners, commits to bridge the glaring digital divide in education in the country, which the COVID-19 pandemic revealed, to help DepEd reach its goal of providing quality education to Filipino learners.

“We at Converse are pleased to be in partnership with the Department of Education in making online education more accessible to learners struggling to adapt to the blended learning model due to lack of resources,” Mr. Uy shared.

In February 2021, Converse joined forces with millions around the globe to raise awareness for better and safer internet usage. With lockdown restrictions forcing the young and old alike to study and work remotely, extra precautionary measures must be extended to the online community.

Technologies implemented by Converse include a firewall system able to prevent the circulation of explicit or malicious content. In addition, Converse has a Secure Domain Name Solution that blocks at the domain level those websites carrying child pornography material.

Converse works closely with the National Telecommunications Commission in the fight to make the online environment a more secure place for all and encourages everyone to support the Department of



Information and Communications Technology and the Department of Social Welfare and Development with their Child Online Safeguarding Policy.

For questions, please contact:

Owen Kieffer Ocampo
Investor Relations Director
Email: okdocampo@convergeict.com
investors.relations@convergeict.com

Jay-Anne Encarnado
Corporate Communications and Public Relations Director
Email: corpcomm@convergeict.com

ANNEX

Exhibit 1: Summary Statement of Comprehensive Income

	For the three months ended March 31			
	2021	2020	YoY change	YoY change %
	(in ₱ millions)			
Revenues	5,547	3,021	2,526	84%
<i>Residential</i>	4,797	2,287	2,510	110%
<i>Enterprise</i>	750	734	16	2%
Cost of services.....	(2,330)	(1,440)	(890)	62%
Gross profit	3,217	1,580	1,636	104%
General and administrative expenses	(935)	(522)	(414)	79%
Provision for impairment of trade and other receivables	(251)	(152)	(99)	65%
Other income (loss), net.....	66	58	8	13%
Profit from operations	2,096	965	1,131	117%
Finance costs.....	(133)	(145)	12	-8%
Profit before income tax	1,963	820	1,143	139%
Income tax expense.....	(414)	(246)	(167)	68%
Profit after income tax for the year/ period	1,549	574	976	170%
Other comprehensive income.....	-	(13)	13	100%
Total comprehensive income	1,549	560	989	177%
Profit after income tax	1,549	574		
Finance costs.....	133	145		
Income taxes	414	246		
Depreciation and amortization – cost of services.....	779	444		
Depreciation and amortization – general and administrative expenses ...	49	40		
Amortization of subscriber acquisition costs.....	128	65		
EBITDA	3,052	1,514		
EBITDA Margin	55.0%	50.1%		

Exhibit 2: Quarterly Operational Performance Summary

	2020				2021	YoY Change %
	1Q	2Q	3Q	4Q	1Q	1Q2020 vs 1Q2021
Residential						
Revenues	2,287	2,691	3,435	4,215	4,797	110%
FTTH	1,614	1,992	2,679	3,509	4,086	153%
HFC	673	698	756	707	711	6%
Customers	615,466	731,563	900,531	1,038,321	1,181,723	92%
FTTH	405,784	512,597	673,005	822,791	964,644	138%
HFC	209,682	218,966	227,526	215,530	217,079	4%
Homes Passed	3,599,533	4,111,661	5,112,591	6,177,845	7,172,033	99%
FTTH ⁽¹⁾	2,789,112	3,301,240	4,281,768	5,342,008	6,330,536	127%
HFC ⁽²⁾	810,421	810,421	830,823	835,837	841,497	4%
Ports	2,204,977	2,461,041	2,971,707	3,506,841	4,006,765	82%
FTTH ⁽³⁾	1,394,556	1,650,620	2,140,884	2,671,004	3,165,268	127%
HFC ⁽⁴⁾	810,421	810,421	830,823	835,837	841,497	4%
Household Coverage⁽⁵⁾ (%)	14.5%	16.6%	20.6%	24.5%	28.3%	95%
ARPU⁽⁶⁾	1,284	1,287	1,352	1,408	1,390	8%
FTTH	1,417	1,405	1,467	1,516	1,481	5%
HFC	1,046	1,033	1,046	1,044	1,014	-3%
Customer Churn⁽⁷⁾ (%)	0.39	1.08	1.63	1.35	1.16	197%
FTTH	0.34	0.78	1.28	0.61	1.14	235%
HFC	0.49	1.74	2.55	3.84	1.27	159%
Port Utilization⁽⁸⁾ (%)	27.9	29.7	30.3	29.6	29.5	6%
FTTH	29.1	31.1	31.4	30.8	30.5	5%
HFC	25.9	27.0	27.4	25.8	25.8	0%
Enterprise						
Revenues	734	778	752	760	750	2%
Customers	10,378	10,498	10,953	11,090	12,400	19%
ARPU⁽⁹⁾	23,910	26,569	21,675	23,002	21,269	-11%
Customer Churn⁽¹⁰⁾ (%)	0.30	0.33	0.49	1.61	0.72	140%

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 estimated at 25.3 million as of March 2021, extrapolated from MPA data.

(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 three months ended March 31			
	2021	2020	YoY change	YoY change %
	(in ₺ millions)			
Depreciation and amortization	779	444	335	75%
Network materials and supplies used	460	230	230	100%
Amortization of deferred contract cost	350	148	202	137%
Bandwidth and leased line costs	277	303	(26)	-8%
Service fees.....	167	147	20	14%
Personnel costs	127	57	70	123%
Rent	53	31	22	71%
Utilities.....	21	23	(2)	-6%
Retirement benefit expense.....	1	0	1	241%
Others	95	57	38	67%
Total cost of services	2,330	1,440	890	62%
Gross profit	3,217	1,580	1,636	104%
Gross profit margin	58.0%	52.3%		

	For the three months ended March 31			
	2021	2020	YoY change	YoY change %
	(in ₺ millions)			
Personnel costs	295	247	48	20%
Commission expense.....	120	36	84	233%
Outside services	86	30	57	189%
Taxes and licenses.....	71	18	52	285%
Professional fees.....	65	42	23	55%
Depreciation and amortization	49	40	9	21%
Promotions.....	42	21	21	97%
Repairs and maintenance	37	16	21	135%
Utilities.....	25	12	12	98%
Other general and administrative expenses	146	60	86	143%
Total G&A expenses	935	522	414	79%
Provision for impairment of receivables.....	(251)	(152)	(99)	65%
Other income/(expenses).....	66	58	8	13%
Operating profit	2,096	965	1,131	117%
Operating profit margin	37.8%	31.9%		

Exhibit 4: Other Income/(Expenses) Statement Items

	For the three months ended			
	March 31			
	2021	2020	YoY change	YoY change %
	(in ₱ millions)			
Net foreign exchange gain (loss)	45	44	1	3%
Gain on transfer of network materials	11	1	10	N/M
Interest income - cash and cash equivalents	3	10	(7)	-73%
Miscellaneous expense	7	4	2	92%
Total Other income, net	66	58	8	13%
Operating profit	2,096	965	1,131	117%
Finance cost.....	(133)	(145)	12	-8%
Profit before income tax.....	1,963	820	1,143	139%
Income tax expense.....	(414)	(246)	(167)	68%
Net income	1,549	574	976	170%
Net income margin	27.9%	19.0%		

Exhibit 5: Summary Balance Sheet

	As of the period			
	Mar 31 2021	Dec 31 2020	Change	Change %
(in ₱ millions)				
Current assets	19,566	21,271	(1,705)	-8%
Cash and cash equivalent.....	9,503	12,957	(3,454)	-27%
Trade and other receivables, net.....	2,594	2,173	421	19%
Network materials and supplies.....	2,624	2,031	593	29%
Other current assets.....	4,845	4,109	736	18%
Noncurrent assets	41,280	35,441	5,839	16%
Property, plant and equipment, net.....	32,740	28,127	4,613	16%
Intangible assets, net.....	1,097	1,155	(58)	-5%
Other noncurrent assets.....	7,442	6,160	1,282	21%
Total assets	60,846	56,712	4,134	7%
Current liabilities	19,526	15,385	4,141	27%
Trade and other payables.....	16,892	13,253	3,639	27%
Loans payable, current portion.....	650	731	(81)	-11%
Other current liabilities.....	1,983	1,401	582	42%
Noncurrent liabilities	11,996	13,552	(1,556)	-11%
Loans payable, net of current portion.....	9,083	10,583	(1,500)	-14%
Other noncurrent liabilities.....	2,913	2,969	(56)	-2%
Total liabilities	31,522	28,937	2,585	9%
Total equity	29,324	27,775	1,549	6%
Total liabilities and equity	60,846	56,712	4,134	7%

Exhibit 6: Summary Cash Flow

For the three months ended March 31

	2021	2020	YoY change	YoY change %
(in ₪ millions)				
Cash flow from operating activities				
Profit before income tax.....	1,963	820	1,143	139%
Adjustments for operating income.....	1,507	877	630	72%
Adjustments for assets and liabilities.....	(1,243)	(442)	(801)	181%
Cash from operations.....	2,226	1,255	971	77%
Interest received.....	3	13	(10)	-77%
Net cash from operating activities	2,228	1,268	960	76%
Cash flow from investing activities				
Acquisition of property, plant, and equipment.....	(3,929)	(4,662)	733	-16%
Acquisition of intangible assets.....	(6)	(79)	73	-92%
Net cash (used in) investing activities	(3,935)	(4,741)	806	-17%
Cash flow from financing activities				
Proceeds from issuance of convertible preferred shares.....	-	4,568	N/M	N/M
Payment of share issuance costs.....	-	(2)	N/M	N/M
Proceeds from loans payable.....	-	3,474	N/M	N/M
Payment of loans payable.....	(1,581)	(366)	(1,215)	332%
Interest paid on loans payable.....	(120)	(276)	156	-57%
Payment on lease liabilities.....	(35)	(66)	31	-47%
Interest paid on lease liabilities.....	(30)	(30)	-	0%
Net cash from/(used in) financing activities	(1,767)	6,832	(8,599)	-126%
Net increase/(decrease) in cash and cash equivalents	(3,474)	3,359	(6,833)	-203%
Cash and cash equivalents, beginning.....	12,957	6,233	6,724	108%
Effects of exchange rate changes in cash and cash equivalents.....	19	(17)	36	-212%
Cash and cash equivalents, ending	9,503	9,575	(72)	-1%

Exhibit 7: Liquidity and Capital Resources

	March 31, 2021	December 31, 2020	QoQ Change (%)
Balance Sheet Data (in ₱ millions)			
Total Assets	60,846	56,712	7%
Total Debt ⁽¹⁾	9,733	11,314	-14%
Total Stockholders' Equity	29,380	27,775	6%
Financial Ratios			
Total Debt to EBITDA (gross)	1.0x	1.4x	
Total Debt to EBITDA (net)	0.02x	-0.2x	
Debt Service Coverage ⁽²⁾	2.6x	3.0x	
Interest Coverage (gross) ⁽³⁾	18.1x	14.9x	
Debt to Equity (gross) ⁽⁴⁾	0.3x	0.4x	
Debt to Equity (net) ⁽⁵⁾	0.01x	-0.1x	
Return on Invested Capital ⁽⁶⁾	23.1%	20.0%	

Notes:

(1) Total Debt is the sum of current and noncurrent loans payable

(2) Debt Service Coverage is computed as last twelve month's ("LTM") EBITDA divided by the sum of current loans payable, LTM interest expense, and current lease liabilities

(3) Interest Coverage (gross) is computed as LTM EBITDA divided by LTM 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

(6) Return on Invested Capital is tax-adjusted (25% assumed effective tax rate for 2021 and 30% for 2020) 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

Exhibit 8: Property, plant, and equipment

	As of the period			
	Mar 31, 2021	Mar 31, 2020	YoY Change	YoY Change %
	(in millions)			
Total additions to property, plant and equipment	5,336	2,446	2,890	118%
Total cash capital expenditures⁽¹⁾	3,936	4,741		
Cash capital expenditures⁽¹⁾ / Revenue	-71%	-157%		

Notes:

(1) Include property, plant and equipment, intangibles and right-of-use assets, acquired as of report date

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