SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. May 11, 2023
   Date of Report (Date of earliest event reported)

2. SEC Identification Number CS200716094
3. BIR Tax Identification No. 006-895-049-000

4. Converge Information and Communications Technology Solutions, Inc.
   Exact name of issuer as specified in its charter

5. Metro Manila, Philippines
   Province, country or other jurisdiction of incorporation

6. (SEC Use Only)
   Industry Classification Code:

7. New Street Building, Mc Arthur Highway, Balibago, Angeles City, Pampanga — 2009
   Address of principal office — Postal Code

8. (02) 8667-0888
   Issuer's telephone number, including area code

9. N/A
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	7,266,573,061
Fixed Rate Bonds	10,000,000,000

11. Indicate the item numbers reported herein: Item 9. Other events

CONVERGE SUSTAINS GROWTH TREND WITH SOLID FINANCIAL RESULTS AND INDUSTRY-LEADING RESIDENTIAL NET ADDS GROWTH IN THE FIRST QUARTER; CONSOLIDATED REVENUES GREW YOY BY 11.5%, EBITDA MARGIN EXPANDED TO 59.9%, AND ROIC AT 15.0%

1Q2023 Key Highlights

- **Converge's consolidated revenues in 1Q2023 of ₱8.6 billion grew by 11.5% from 1Q2022**
- **Pre-churn adjusted consolidated revenues grew to ₱8.6 billion, 2.7% higher than pre-churn adjusted fourth quarter consolidated revenue of ₱8.4 billion**
- **Residential revenues grew 8.6% YoY driven by net subscriber growth on both postpaid and prepaid**
- **Enterprise revenues reached ₱1.2Bn, a significant growth of 32.4% year-on-year, which is the highest quarterly growth rate since the Company's IPO in 2020**
- **EBITDA grew to a quarterly record of ₱5.2Bn with margins expanding to 59.9% for 1Q2023**
- **1Q2023 net income after tax improved by 10.3% to reach ₱2.2 billion from 1Q2022**
- **Residential subscriber net additions for the quarter reached a total of 42,141 on both postpaid and prepaid plans – sustained positive trend since 2Q2022**
- **Maintained strong ROIC of 15.0% during the quarter**

MANILA, Philippines, May 11, 2023 – The Philippines' only pure-play high-speed fixed broadband operator, Converge Information and Communications Technology Solutions, Inc. (PSE: CNVRG) ("**Converge**" or the "Company") ended the first quarter of 2023 with 1,891,366 residential postpaid subscribers and 28,995 residential prepaid subscribers. The total quarterly net additions continued to increase from 4Q2022 with normalized quarterly revenues also growing.

The Company sees various opportunities for subscriber growth in the coming years as it is positioned to connect unserved customers, supported by its expansion into the Visayas and Mindanao region. With successfully capturing a sizeable portion of the upper income segments, the Company now continues to expand its reach into the lower income segments via its foray into lower cost products, such as prepaid fiber. This expansion is supported by extensive infrastructure and innovative plans.

Continuous Growth Supported by Growing Residential Subscriber Base and Overall Robust Enterprise Business

Residential business growth driven primarily by continued expansion of postpaid subscribers – leading the industry in net adds for the quarter. Enterprise revenue growth remains robust with highest YoY quarterly growth of 32.4% since the pandemic

Consolidated revenues grew by 11.5% from ₱7,748 million in 1Q2022 to ₱8,642 million in 1Q2023. Revenues from the residential business grew by 8.6% from ₱6,812 million in 1Q2022to ₱7,400 million in 1Q2023, driven by a 6% YoY growth in subscriber base. On the other hand, enterprise revenues grew by 32.8% YoY, from ₱935 million to ₱1,242 million during the same period, from the strong overall revenue growth of all subsegments – small and medium enterprises ("SMEs"), large enterprise and corporates, and wholesale.

For comparability, residential revenues pre-churn adjustments have been growing quarter-on-quarter. The Company's 4Q2022 pre-churn adjustment residential revenues amounted to ₱7,214 million, which increased to ₱7,371 million. [1]

[1] Churn-related adjustments are not one-offs and are recognized on a quarterly basis starting 4Q2022. This comparison was presented due to the incomparability of 4Q2022 accumulated adjustments.

During the first three months of 2023, Converge garnered 43,000 net adds, continuing a quarter-on-quarter net adds growth. FiberX (or "postpaid") remained the largest contributor of net adds with 28,792 – 10% higher than in 4Q of 26,252. The Surf2Sawa subsegment (or "prepaid") contributed 14,208 net adds during 1Q2023. The Company ended the year with an active residential subscriber count of 1,920,361. Monthly residential churn rate was at 1.89% for the quarter. A monthly churn rate between 1.5% to 2.0% remains manageable.

Across the board, enterprise subsegments continued to deliver outstanding growth in 1Q2023. The SME segment continued to lead growth with YoY revenues increasing by 46%, followed by wholesale segment increasing by 37% in the same period. Revenues from large enterprise customers, making up the largest subsegment, grew by 24.5% YoY.

The SME customer base grew by 43% from 1Q2022 with the continued strong take-up of flexiBiz supported by our expansion to Visayas and Mindanao. For the large enterprise and corporates, the Company now services key companies in a wide range of industries throughout the country. As of March, Converge is providing connectivity services to almost all national government institutions, 100% of the ten largest business process outsourcing companies in the country, nine of the ten largest banks, and seven of the ten largest financial service institutions.

1Q2023 EBITDA margin expansion to 59.9% driven by growing scale, proactive cost management, and change in accounting recognition

Converge achieved a quarterly EBITDA of ₱5,172 million in 1Q2023, representing an increase of 13.5% from the previous year. As a result, Converge was able to improve its consolidated EBITDA margin to 59.9% in 1Q2023, higher than the 58.8% in 1Q2022.

Compared with 1Q2022, network materials and supplies costs decreased by 96.8%. This is due to an improved capability to properly segregate costs of network materials and supplies according to usage. As such, network materials and supplies used in 1Q2023 for last mile connections were deferred and amortized over the contract period with the subscriber. This partly contributed to the increase in EBITDA margin for the quarter. In 1Q2023, amount of deferred network materials and supplies was ₱187.7 million.

Additionally, as a result of Converge drawing down on its international capacity from the Telstra Indefeasible Right of Use contract, bandwidth and leased line costs decreased by 30.1% YoY, resulting in a corresponding decrease in cost margin from 3.3% to 2.1% over the same period. Amortization of deferred contract costs also declined by 17.3% due to the full recognition of the unamortized portion for churned accounts starting in the prior quarter. With increased operating leverage and transition to a managed services model in certain operating areas, Converge was able to also reduce the cost margin of total personnel costs from 6.9% in 1Q2022 to 5.2% in 1Q2023. Correspondingly, Managed Service Fees increased from 2.6% cost margin to 4.9% in the same comparative period.

Industry Leading ROIC and Strong Balance Sheet

Return on Invested Capital ("ROIC") was maintained at industry leading levels with capital expenditures amounting to ₱3.0 billion in 1Q2023 – mostly attributable to the 488,365 new fiber ports deployed. Converge recorded a 15.0% ROIC during the quarter. This industry-leading performance is a result of the Company's disciplined approach in deploying capital to expand its fiber network.

Due to Converge's continuous port deployment and investments in the network, depreciation and amortization increased from ₱1,427.6 million in 1Q2022 to ₱1,560.1 million in 1Q2023. Net income after tax grew to ₱2,172.2 million in 1Q2023 from ₱1,970.1 million in 1Q2022, resulting in a net income margin of 25.1% for 1Q2023.

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) decreased from ₱28,026 million as of December 31, 2022 to ₱26,602 million as of March 31, 2023. The Company repaid a portion of its financial debt, reducing the balance to ₱38,162 million as of March 31, 2023 from ₱38,240 million in December 31, 2022. The Company's debt service coverage ratio ("DSCR") was 3.9x and the net debt-to-total equity was at 0.7x, well within the required financial covenants from its debt facilities. The weighted average cost of debt from drawn debt facilities remained at 5.1% as of March 2023.

Change in Recognition/Estimates: Network Materials and Supplies Recognition and Inside Plant and Facilities Equipment Useful Life

As mentioned, starting 1Q2023, Converge has employed an improved capability to properly segregate costs of network materials and supplies according to usage. As such, network materials and supplies used in 1Q2023 for last mile connections were deferred and amortized over the contract period with the subscriber. In previous quarters, all Network Materials and Supplies are expensed outright. Starting 1Q2023, only incidental materials beyond standard installation costs paid for by customers are expensed outright.

Also, the estimated useful life of Inside Plant and Facilities Equipment was extended from five years to eight years. This was due to a significant portion of the asset class deemed useable beyond the original estimated five-year life. Upon reevaluation, the Company estimates eight years as a reasonable length of usage period for Inside Plant and Facilities Equipment. This translates to approximately 15% less depreciation in 2023.

With these revised policies, guidance for FY2023 EBITDA margin is raised to 56%-58%.

Upcoming Full Launch of Surf2Sawa

According to the Philippine Statistics Authority's 2021 Family Income and Expenditure Survey, the country has approximately 26.4 million households with 70% at the lower income segments, which are still highly underpenetrated with reliable fixed broadband. As such, Converge has been working on different product types and brands to cater to this wider segment of the market while still maintaining the premium features offered to the current target addressable market of the FiberX brand.

The Company plans to fully launch the Surf2Sawa prepaid offering by June of this year to cater to the Class D2 market of approximately 9.3 million households. Surf2Sawa is a prepaid fiber-to-the-home plan with various top-up options, for as low as ₱50 per day up to ₱700 for a 30-day unlimited connectivity. The modem limits concurrent users to only six devices, unlike the postpaid FiberX plans with no such limitations.

The Company believes that this segment of the market remains underpenetrated with quality fixed connectivity. With more than eight million ports deployed across the country, Converge is well-positioned to capitalize on this opportunity with its expansive infrastructure.

Expanding Enterprise Reach and Product Offerings with the Awarded Singapore FBO License and Memorandum of Understanding with KT Corp.

As the Company's enterprise business continues to grow, Converge is working on multiple projects to maintain and further build on the current momentum via a wider target market and enhanced product portfolio.

In January 2023, Converge received the greenlight to provide international connectivity services in Singapore through its wholly-owned subsidiary, Converge ICT Singapore Pte. Ltd. ("Converge SG") via the awarding of a Facilities-Based Operations ("FBO") License.

The Infocomm Media Development Authority, statutory board under the Singapore Ministry of Communications, via a grant letter mentioned that Converge SG has been awarded an FBO license.

Converge SG can now start providing wholesale connectivity services and fiber optic cable capacity to customers such as other Internet Service Providers, data centers, enterprise customers in the Southeast Asian city state.

"The grant of an FBO license to our Singapore unit significantly bolsters the ability of the Converge Group to sell international wholesale connectivity and capacity services, as we can now directly service clients in Singapore to cater their growing needs for intra-Asia and Trans-Pacific connectivity requirements," said Mr. Uy.

Through the said license, Converge will have the right to provide international connectivity services in Singapore including Ethernet-International Private Line service, Dedicated Internet Access service, Carrier Ethernet Network service, Internet Protocol Virtual Private Network services using Multiprotocol Label Switching, and sale and resale of submarine cable capacities.

In February 2023, Converge also signed a memorandum of understanding with KT Corp that aims to extend digital tools and innovations to enterprises in the Philippines, and to explore new digital transformation solutions for the evolving needs of ICT customers. This potential partnership will enable both companies to leverage each other's expertise in information and communication technology for the delivery and development of enterprise-grade solutions.

KT Corporation is the leading telecommunications provider in South Korea that provides integrated wired and wireless communication solutions and services, spanning a wide range of industry use cases such as energy management, security and safety management, and financial technology, among others.

"*As businesses continue to move their operations online, the demand is strong for cutting-edge enterprise solutions that would enable their different business processes. This potential partnership with KT will allow us to co-innovate and deliver advanced technologies suited for the needs of Philippine businesses, especially SMEs*," Converge President, Chief Risk Officer, and Chief Resource Officer Maria Grace Uy said.

Converge 2022 Sustainability Report

In early 2023, Converge formally created a Chief Sustainability Officer role whose task is to oversee the implementation of the company's sustainability commitment and roadmap, as well as compliance to sustainability reporting requirements. Mr. Benjamin Azada was assigned this role concurrently as the Company's Chief Strategy Officer. Under his direction, the Company's has released its 2022 Sustainability Report ("SR") and can be viewed on the Company's website. [2]

The 2022 SR is the Company's first third-party audited sustainability disclosure, marking a significant milestone to its sustainability journey. The SR ís in accordance with the Global Reporting Initiative (GRI) Standards for the period from January 1 to December 31, 2022. The report is also aligned with AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness, and Impact, and includes disclosures recommended under the Telecommunications Sustainability Accounting Standard of the Sustainability Accounting Standards Board. For the first time, Converge has also reported information with reference to the recommendations of the Task Force on Climate-related Disclosures.

This press release may contain forward looking statements and information that are, by their nature, subject to significant risks, uncertainties, and assumptions. Many factors could make or cause the actual results, performance or achievements to be materially different from those expressed or

[2] https://corporate.convergeict.com/wp-content/uploads/2023/04/2022-Converge-SR-2023-04-17.pdf

implied in this release. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein.

For questions, please contact:

Owen Kieffer Ocampo
Vice President – Head of Investor Relations
Email: investors.relations@convergeict.com

Jay-Anne Encarnado
Vice President – Head of Corporate Communications and Public Relations
Email: corpcomm@convergeict.com

ANNEX

Exhibit 1: Summary Statement of Comprehensive Income

	For the three months ended March 31			
	2023	2022	YoY change	YoY change %
	(in ₱ millions)			
Revenues	8,642	7,748	894	12%
Residential	*7,399*	*6,812*	*587*	*9%*
Enterprise	*1,243*	*935*	*308*	*33%*
Cost of services	(2,813)	(3,021)	208	-7%
Gross profit	5,829	4,727	1,102	23%
General and administrative expenses	(1,834)	(1,437)	(397)	28%
Provision for impairment of trade and other receivables	(431)	(372)	(59)	16%
Other income (expenses), net	(156)	(30)	(126)	420%
Profit from operations	3,407	2,887	521	18%
Finance costs	(533)	(243)	(290)	119%
Profit before income tax	2,874	2,644	230	9%
Income tax expense	(702)	(674)	(28)	4%
Profit after income tax	**2,172**	**1,970**	**202**	**10%**
Other comprehensive income	-	-	-	-
Total comprehensive income	2,172	1,970	202	10%
Profit after income tax	2,172	1,970	202	10%
Finance costs	533	243	290	119%
Income taxes	702	674	28	4%
Depreciation and amortization – cost of services	1,449	1,299	150	12%
Depreciation and amortization – general and administrative expenses	111	128	(17)	-13%
Amortization of subscriber acquisition costs	205	243	(38)	-16%
EBITDA	**5,172**	**4,558**	**614**	**13%**
EBITDA Margin	***59.9%***	***58.8%***		

Exhibit 2: Quarterly Operational Performance Summary

	2022				2023	YoY Change %
	1Q	2Q	3Q	4Q	1Q	1Q2023 vs 1Q2022
Residential						
Revenues	**6,812**	**7,272**	**7,278**	**8,100**	**7,399**	**9%**
FTTH	6,299	6,800	6,853	7,605	7,089	13%
HFC	513	472	424	480	311	-39%
Customers	**1,802,202**	**1,817,115**	**1,845,162**	**1,877,361**	**1,920,361**	**7%**
FTTH	1,591,472	1,622,115	1,652,977	1,692,205	1,740,666	9%
HFC	210,370	195,000	192,185	185,156	179,695	-15%
Homes Passed	**12,200,921**	**13,493,993**	**14,316,633**	**14,940,769**	**15,917,481**	**30%**
FTTH	11,350,120	12,643,192	13,456,376	14,089,968	15,066,680	33%
HFC	850,801	850,801	850,801	850,801	850,801	0%
Ports	**6,525,861**	**7,172,397**	**7,583,717**	**7,895,785**	**8,384,141**	**28%**
FTTH	5,675,060	6,321,596	6,732,916	7,044,984	7,533,340	33%
HFC	850,801	850,801	850,801	850,801	850,801	0%
Household Coverage (%)	**47.5%**	**52.1%**	**53.0%**	**56.2%**	**59.9%**	26%
ARPU	**1,243**	**1,278**	**1,261**	**1,240**	**1,219**	**-2%**
FTTH	1,301	1,351	1,323	1,309	1,297	0%
HFC	790	701	663	632	562	-29%
Customer Churn (%)	**1.47**	**2.49**	**1.96**	**1.75**	**1.89**	**29%**
FTTH	1.48	2.43	2.12	1.78	2.09	41%
HFC	1.37	2.98	0.83	1.43	1.16	-15%
Port Utilization (%)	**27.6**	**25.3**	**24.4**	**23.8**	**22.9**	**-17%**
FTTH	28.5	25.7	24.6	23.9	23.1	-19%
HFC	21.7	22.9	22.7	21.8	21.1	-3%
Enterprise						
Revenues	**935**	**1,034**	**1,149**	**1,115**	**1,243**	**33%**
Customers	**29,723**	**31,886**	**35,324**	**37,563**	**40,683**	**37%**
ARPU	**11,195**	**11,114**	**11,430**	**11,076**	**10,398**	**-7%**
Customer Churn (%)	**1.98**	**2.19**	**2.69**	**2.73**	**1.58**	**-20%**

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 25.7 million as of December 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			
	2023	2022	YoY change	YoY change %
		(in ₽ millions)		
Depreciation and amortization	1,449	1,299	150	12%
Amortization of deferred contract cost	488	590	(102)	-17%
Repairs and maintenance expense	228	174	54	31%
Bandwidth and leased line costs	180	258	(78)	-30%
Service fees	125	127	(2)	-2%
Rent	124	87	37	43%
Personnel costs	87	96	(9)	-9%
Utilities	87	38	49	129%
Network and supplies used	11	349	(338)	-97%
Others	33	3	30	N/M
Total cost of services	**2,813**	**3,021**	**(208)**	**-7%**
Gross profit	**5,829**	**4,727**	**1,102**	**23%**
Gross profit margin	***67.4%***	***61.0%***		

	For the three months ended March 31			
	2023	2022	YoY change	YoY change %
		(in ₽ millions)		
Outside services	427	182	245	135%
Managed service fees	424	199	225	113%
Personnel costs	365	436	(71)	-16%
Depreciation and amortization	111	128	(17)	-13%
Taxes and licenses	105	128	(23)	-18%
Promotions	82	121	(39)	-32%
Other general and administrative expenses	320	243	77	32%
Total G&A expenses	**1,834**	**1,437**	**397**	**28%**
Provision for impairment of receivables	431	372	59	16%
Other (income)/expenses	156	30	126	420%
Operating profit	**3,407**	**2,887**	**521**	**18%**
Operating profit margin	***39.4%***	***37.2%***		

Exhibit 4: Other Income/(Expenses) Statement Items

	For the three months ended March 31			
	2023	2022	YoY change	YoY change %
	(in ₱ millions)			
Loss on write-off of property, plant and equipment	(103)	-	(103)	-
Net foreign exchange gain/(loss)	(69)	(55)	(14)	25%
Equity in net gain of associates and joint ventures	9	12	(3)	-23%
Interest income - cash and cash equivalents	11	4	7	179%
Miscellaneous income (expense)	(5)	11	(16)	-145%
Total Other income (expense), net	**(156)**	**(30)**	**(126)**	**421%**
Operating profit	3,408	2,887	521	18%
Finance cost	(533)	(243)	(290)	119%
Profit before income tax	2,874	2,644	230	9%
Income tax expense	(702)	(674)	(28)	4%
Profit after income tax	**2,172**	**1,970**	**202**	**10%**
Profit after income tax margin	***25.1%***	***25.4%***		

Exhibit 5: Summary Balance Sheet

	As of the period			
	Mar 31 2023	Dec 31 2022	Change	Change %
	(in ₱ millions)			
Current assets	**24,285**	**22,599**	**1,687**	**7%**
Cash and cash equivalents	11,560	10,214	1,345	13%
Trade and other receivables, net	3,698	3,337	361	11%
Due from related parties, net, current portion	361	610	(248)	-41%
Network materials and supplies, net	4,752	4,385	367	8%
Deferred contract costs, current portion	851	1,007	(156)	-15%
Other current assets	3,064	3,046	18	1%
Noncurrent assets	**77,295**	**75,500**	**1,795**	**2%**
Property, plant and equipment, net	63,997	62,534	1,463	2%
Right of use assets, net	3,091	3,294	(203)	-6%
Intangible assets, net	2,393	2,385	8	0%
Advances to suppliers of fixed assets	4,322	4,317	5	0%
Due from related parties, net of current portion	154	157	(4)	-2%
Retirement benefit asset	57	-	57	N/M
Other noncurrent assets	3,281	2,813	468	17%
Total assets	**101,580**	**98,098**	**3,482**	**4%**
Current liabilities	**26,658**	**24,723**	**1,935**	**8%**
Trade and other payables	17,416	17,055	197	2%
Borrowings, current portion	3,660	3,240	420	13%
Due to related parties	133	111	22	20%
Other current liabilities	5,449	4,317	1,296	26%
Noncurrent liabilities	**36,622**	**37,264**	**(642)**	**-2%**
Borrowings, net of current portion	34,502	35,000	(498)	-1%
Retirement benefit obligation	-	153	(153)	-100%
Other noncurrent liabilities	2,121	2,111	10	0%
Total liabilities	**63,280**	**61,988**	**1,293**	**2%**
Total equity	**38,300**	**36,111**	**2,189**	**6%**
Total liabilities and equity	**101,580**	**98,098**	**3,482**	**4%**

Exhibit 6: Summary Cash Flow

	For the three months ended March 31			
	2023	2022	YoY change	YoY change %
	(in ₱ millions)			
Cash flow from operating activities				
Profit before income tax...	2,875	2,644	231	9%
Adjustments for operating income..	3,116	2,701	415	15%
Adjustments for assets and liabilities..	(579)	(2,878)	2,299	-80%
Cash from operations...	5,411	2,467	2,944	119%
Interest received and income taxes paid...	(239)	(449)	210	-47%
Net cash from operating activities	**5,172**	**2,018**	**3,154**	**156%**
Cash flow from investing activities				
Acquisition of property, plant, and equipment	(3,304)	(5,741)	2,437	-42%
Others...	(12)	(160)	148	-93%
Net cash (used in) investing activities	**(3,316)**	**(5,901)**	**2,585**	**-44%**
Cash flow from financing activities				
Proceeds from borrowings..	500	4,963	(4,463)	-90%
Payment of borrowings...	(578)	(486)	(92)	19%
Others...	(414)	(677)	263	-39%
Net cash from/(used in) financing activities	**(493)**	**3,799**	**(4,292)**	**-113%**
Net increase/(decrease) in cash and cash equivalents	**1,364**	**(84)**	**1,448**	**-1723%**
Cash and cash equivalents, beginning...	10,214	8,084	2,130	26%
Effects of exchange rate changes in cash and cash equivalents..............	(18)	24	(42)	-174%
Cash and cash equivalents, ending	**11,560**	**8,024**	**3,536**	**44%**

Exhibit 7: Liquidity and Capital Resources

	March 31, 2023	December 31, 2022	Change (%)
Balance Sheet Data (in P millions)			
Total Assets	101,580	98,098	4%
Total Debt[1]	38,162	38,240	0%
Total Stockholders' Equity	38,300	36,111	6%
Financial Ratios			
Total Debt to EBITDA (gross)	1.9x	2.0x	
Total Debt to EBITDA (net)	1.3x	1.4x	
Debt Service Coverage[2]	3.9x	3.9x	
Interest Coverage (gross) [3]	9.9x	11.2x	
Debt to Equity (gross) [4]	0.7x	0.6x	
Debt to Equity (net) [5]	0.4x	0.3x	
Return on Invested Capital [6]	15.0%	15.7%	

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) 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, 2023	Mar 31, 2022	YoY Change	YoY Change %
	(in millions)			
Total additions to property, plant and equipment	**2,954**	**4,715**	**(1,761)**	**-37%**
Total cash capital expenditures[1]	**3,316**	**5,741**	**(2,425)**	**-42%**
Cash capital expenditures[1] / Revenue	**38%**	**74%**		

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

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