



FY2023 RESULTS INVESTORS BRIEFING

#LeaveNoOneBehind



Meeting Reminders

- Please mute your microphones during the presentation.
- Questions will be entertained during the Q&A portion after the presentation. You may send your questions through the Zoom Chat feature. Please introduce yourself along with your affiliated company/research house.
- The session will be recorded.



Dennis Anthony H. Uy
CEO and Co-Founder



Grace Y. Uy
President and Co-Founder



Christine Renee R. Blabagno
Deputy Chief Finance Officer



Jesus C. Romero
Chief Operations Officer



Benjamin B. Azada
Chief Commercial Officer and
Chief Sustainability Officer

#LeaveNoOneBehind

Mr. Dennis Anthony H. Uy

CEO and Co-Founder



#LeaveNoOneBehind

We forged new **partnerships**,
broke new ground with our
products, expanded to **key**
areas, and enhanced our
customer experience.



**2023 WAS A
PINNACLE YEAR
FOR CONVERGE**



With BIDA and S2S, we are finally realizing our dream of **bringing quality internet access to the unserved and underserved communities** in the Philippines.

S2S Launch in Tondo and Bida
Fiber launched in Cebu.

Both have gained strong traction
and exceeded expectations

The combined market for these
two affordable products is
estimated at **17 million homes.**

**CONVERGE
GOES TO
THE MASS
MARKET**

We aim to provide differentiated solutions beyond the traditional telco services. This includes **Managed Services, Value-Added Services, Cloud and Security Services**

**A LEAP INTO
THE FUTURE**

30 YEARS OF INTERNET IN PHILIPPINES

We at Converge are happy that we are able to contribute to the **development of the internet in our country through our fiber technology**



Ms. Grace Y. Uy

President and Co-Founder



#LeaveNoOneBehind

Converge remains industry leading in revenue growth, profitability margins, and ROIC; Highest consolidated net adds for FY2023



Converge continues to lead the industry in growth in FY2023 with consolidated revenues growing by 5% YoY



FiberX sustained year-high net quarterly subscriber adds at >35k in 4Q2023 as its churn slid to 2.1% in 4Q2023 from 2.5% in 3Q2023.



BIDA Fiber and Surf2Sawa registered consolidated net adds of 58,361 in 4Q2023 bringing their combined EOP subscribers to 174,672 at year end – well beyond the 120k EOP subscriber target



Consolidated net adds reached 250,691 for FY2023 with 4Q2023 registering almost 80k net adds – also the highest in 7 quarters.



Enterprise revenue grew by 20% YoY from ~PHP 4.2 Bn in FY2022 to ~PHP 5.1 Bn in FY2023 with all sub-segments still experiencing double-digit growth.



EBITDA grew by 11.2% in FY2023 to ~PHP 21.5 Bn while EBITDA margins remained industry leading at 60.9% in FY2023



Core net income after tax of ~PHP 9.1 Bn in FY2023 – up by 22.3% YoY and representing a higher margin of 25.7% vs. 22.1% net income margin from FY2022



FY2023 ROIC at 16.3% - above management guidance of 13-14%



Mr. Jesus C. Romero
Chief Operations Officer



Mr. Benjamin B. Azada
Chief Commercial Officer
and Chief Sustainability Officer

Ms. Christine Renee R. Blabagno

Deputy Chief Finance Officer



#LeaveNoOneBehind

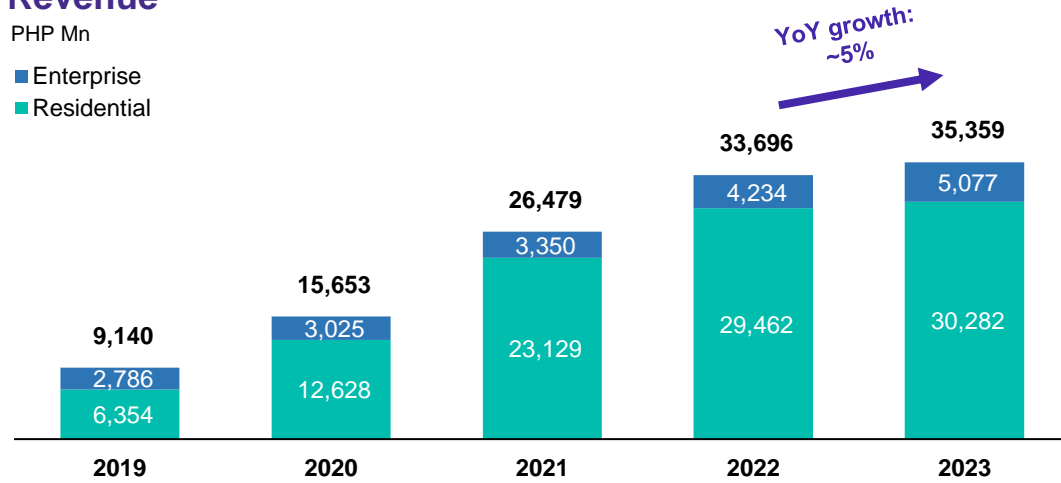
Steady Financial Performance

FY2023 EBITDA margin at 60.9% amidst inflationary environment

Revenue

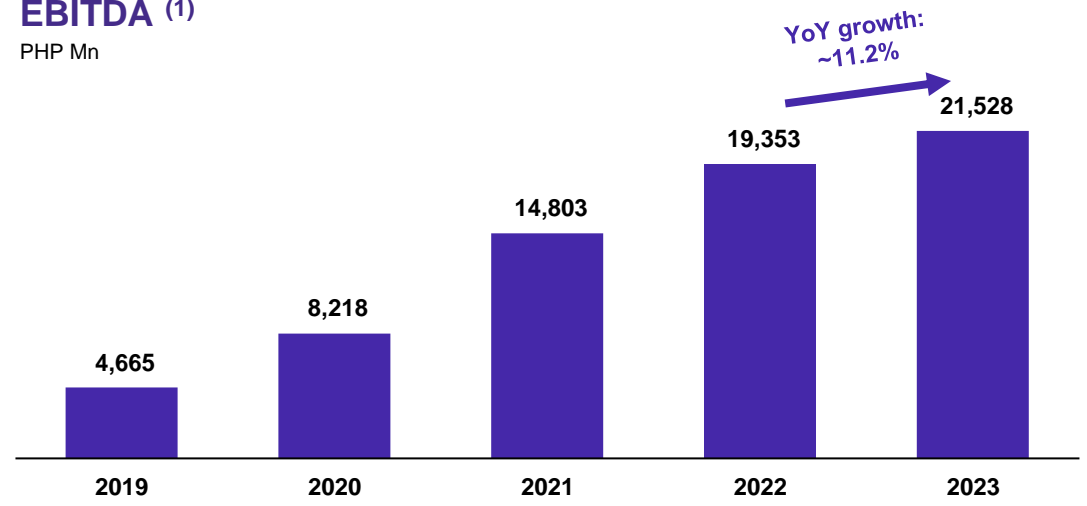
PHP Mn

- Enterprise
- Residential

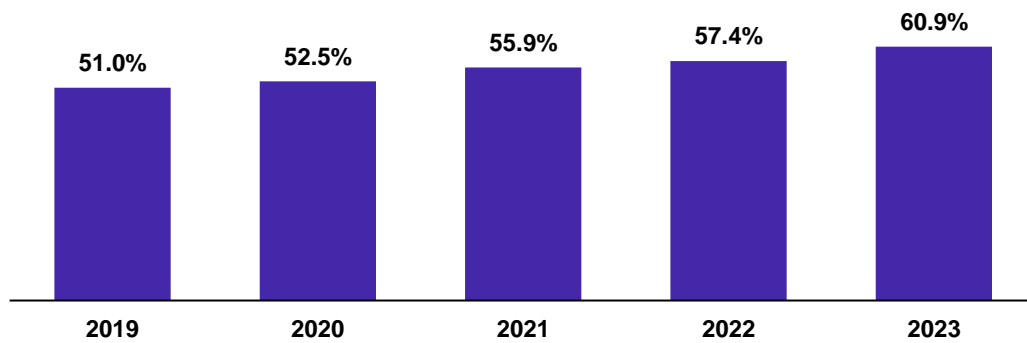


EBITDA (1)

PHP Mn

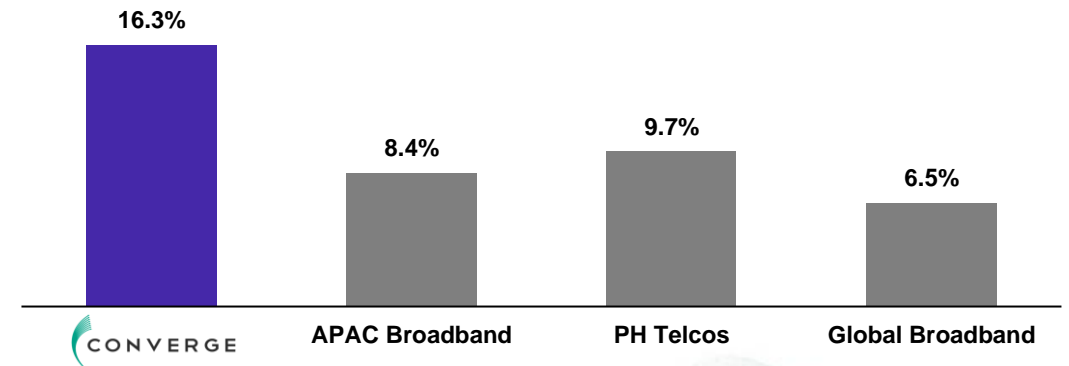


EBITDA Margin (1)



ROIC (2)(3)

Annualized



Notes:

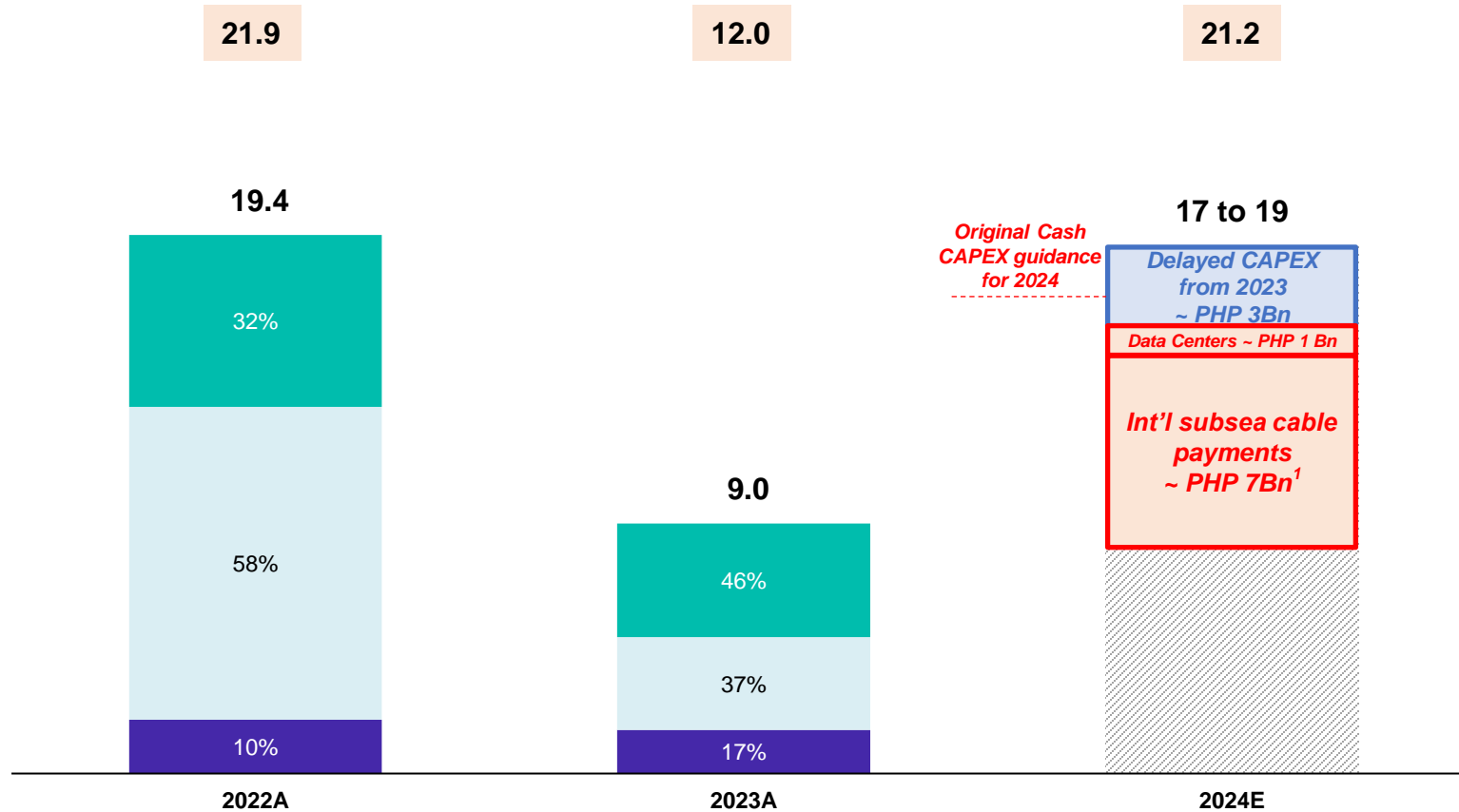
- 2021-2022 EBITDA shown as reported EBITDA. 2020 EBITDA shown as Pro Forma Adjusted EBITDA, where historical EBITDA is adjusted for Pro Forma Events and provision for contingencies and loss on direct write off of network materials and supplies.
- Return on Invested Capital is tax-adjusted (25% assumed effective tax rate) pro forma profit from operations divided by average invested capital. Invested Capital is the sum of total equity and total debt (comprising loans payable (non-current and current portions)), less cash and cash equivalents; NOPAT defined as tax-adjusted operating profit assuming statutory tax rate of respective companies; total capital defined as the sum of net debt and total equity attributable to owners of the parent and non-controlling.
- APAC broadband players includes HKBN and Time dotCom; Global broadband players include Altice, Charter Communications and Liberty Global; Phils Telco includes PLDT and Globe; Figures computed based on FY2023 figures;

FY2023 Cash CAPEX at PHP 9.0 Bn, due to PHP 3 Bn Cash CAPEX delayed to 2024; FY2024 Cash CAPEX expected to reach PHP 17 to 19 Bn

FY2023 Cash CAPEX of PHP 9.0 Bn spent largely on outside plant, inside plant, and customer premise equipment.

Cash CAPEX

PHP Bn



FY2023 CAPEX

- FY2023 Cash CAPEX ended at PHP 9.0 Bn, lower than originally guided Cash CAPEX of PHP 12 to 15 Bn due to **PHP 3 Bn worth of Cash CAPEX being delayed to 2024**. PHP 1.6 Bn of the delayed CAPEX pertain to the **delayed invoicing** of some equipment; remaining PHP 1.5 Bn pertain to the **renegotiated payment terms for SEA-H2X**.
- Sufficient cash has already been earmarked for the payment of these equipment since 2023.

Cash CAPEX for 2024

- Cash CAPEX in 2024 expected to increase to **~PHP 17 to 19 Bn** due to the upcoming IRU payment, data centers CAPEX, and the delayed Cash CAPEX from 2023.

Legend

- Backbone
- Access
- Others²
- Accrual

Notes:

- SEA-H2X is now slated to be complete in 2025 thus pushing back a portion of the international subsea cable payments to 2025 amounting to ~PHP 500Mn.
- Others include capital expenditures for software and licenses, land, data center, international subsea cable system, and other office and transportation property, plant, and equipment

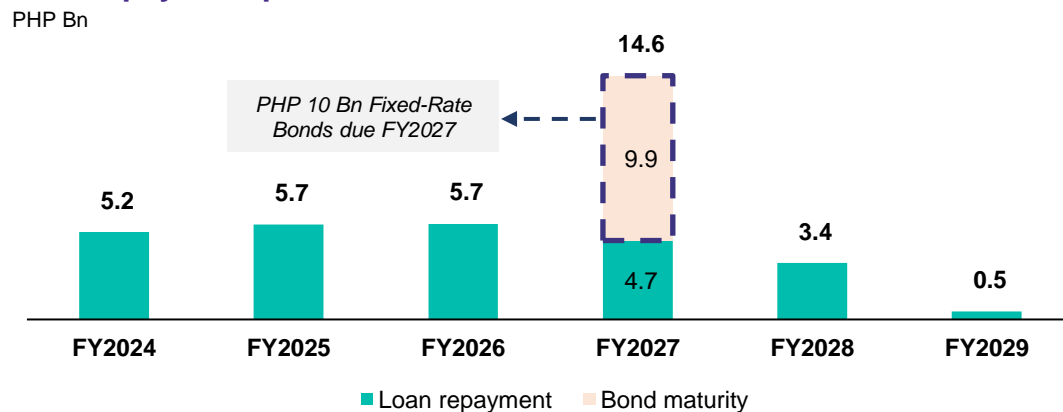
Moderately levered balance sheet with limited exposure to macro pressures

Moderately leveraged capitalization structure

Capitalization Structure		Common Equity	
	In PHP Bn		In PHP Bn
Current portion of LT debt	5.3	Share capital	1.9
LT Borrowings, net of current portion	30.0	APIC	18.7
Total debt	35.2	Treasury shares	(6.5)
Cash and cash equivalents - PHP	7.5	Retained earnings	30.8
Cash and cash equivalents - USD	6.2	Other equity items	0.3
Total cash	13.7	Total common equity	45.2
Net debt	21.5		
Total common equity	45.2		
Total capitalization (D + E)	66.8		

Debt repayment expected to peak in FY2027, due to maturing PHP 10 Bn 5-Yr fixed rate bonds

Debt repayment profile



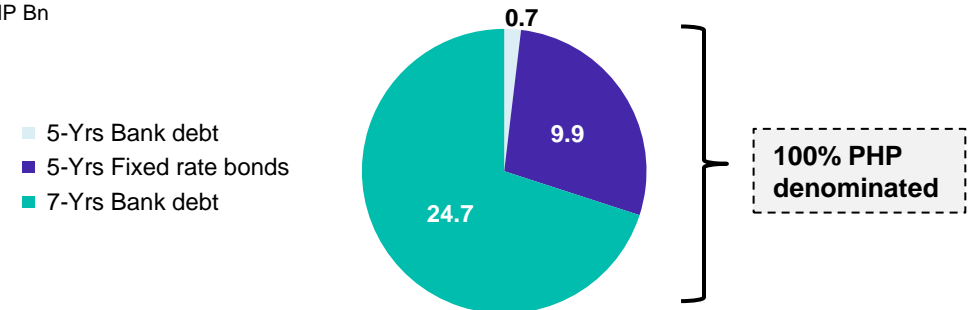
Notes:

1. Breakdown of outstanding debt balances as of December 31, 2023– includes current portion of long-term debt

Long-term, 100% peso denominated debt portfolio

Debt exposure⁽¹⁾

PHP Bn

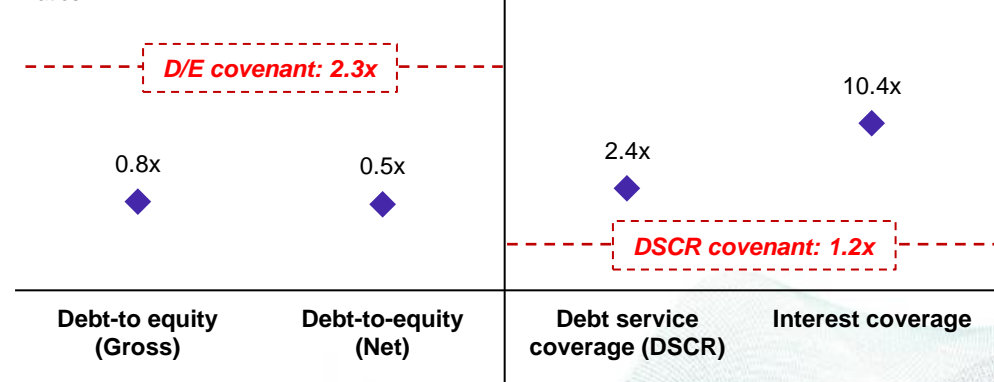


Total: ~PHP 35.2 Bn

Moderate gearing levels, well-within bank financial covenants

Gearing covenants

Ratios



Mr. Jesus C. Romero

Chief Operations Officer



#LeaveNoOneBehind

CHAMPIONING WORLD-CLASS BROADBAND CONNECTIVITY

Ookla Speedtest1

Fastest Internet in the Philippines

123.18 Speed Score **457.56 Mbps** Top download speed **448.15 Mbps** Top upload speed

Top-Rated Fixed Network

3.6 User rating

Best ISP Gaming Experience

88.27 Gaming Score

Best ISP Video Experience

86.58 Video Score



SPEEDTEST AWARDS
TOP RATED INTERNET EXPERIENCE
2023



SPEEDTEST AWARDS
BEST INTERNET GAMING EXPERIENCE
2023



SPEEDTEST AWARDS
FASTEST INTERNET
2023



SPEEDTEST AWARDS
BEST INTERNET VIDEO EXPERIENCE
2023



International Business Magazine

CONVERGE

awarded as

Broadband Telecom Company of the Year, Philippines 2023



INTERNATIONAL BUSINESS MAGAZINE

Asian Telecom



Asian Telecom Awards 2023



CONVERGE ICT SOLUTIONS INC.
BROADBAND TELECOM COMPANY OF THE YEAR - PHILIPPINES



Converge Wins Second Broadband Telecom Company of the Year Honor at Asia Telecom Awards 2023

Netflix ISP Index

No. 1
on Netflix Speed Index Leaderboard

11 out of 12 months in 2023

3.25 Mbps
Average speed vs
2.8 Mbps national average

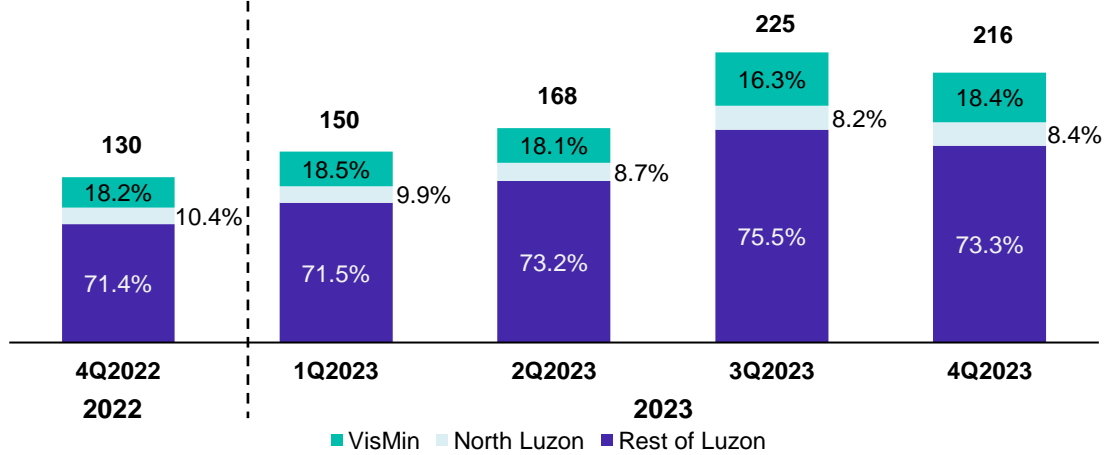


Growing subscriber adds across the country results in increasing port utilization

Port utilization saw two consecutive upticks starting 3Q2023 due to the sustained net adds from all three fiber brands

Quarterly Consolidated Gross Adds – By Region⁽¹⁾

In 000s



Product Presence

As of Sept. 2023

As of Dec. 2023

FiberX

Cities and Municipalities: 800+
Provinces: 60+

BIDA Fiber

Cities and Municipalities: 500+ → 700+ (+200)
Provinces: 40+ → 40+

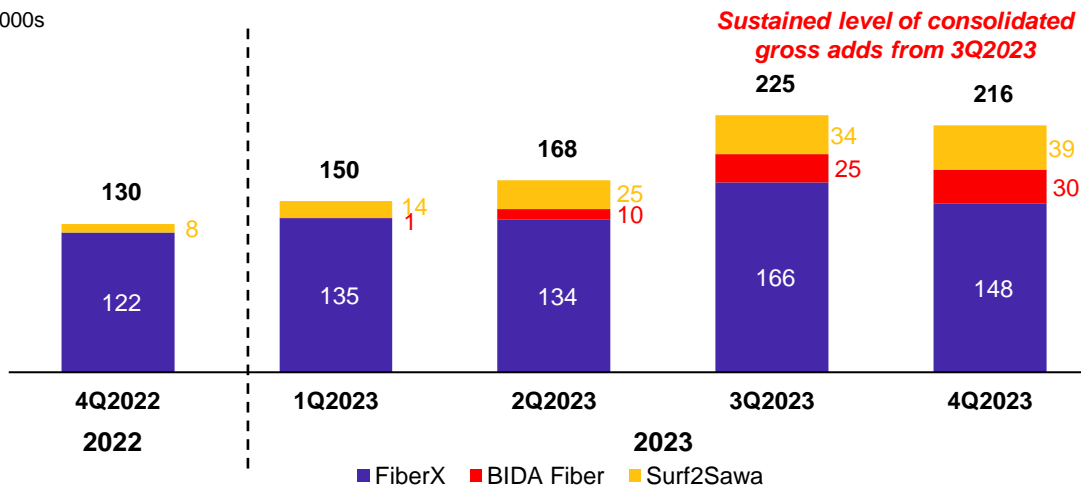
Surf2Sawa

Cities and Municipalities: 500+ → 600+ (+100)
Provinces: 30+ → 30+

Readily available fiber ports: 6.0 Mn

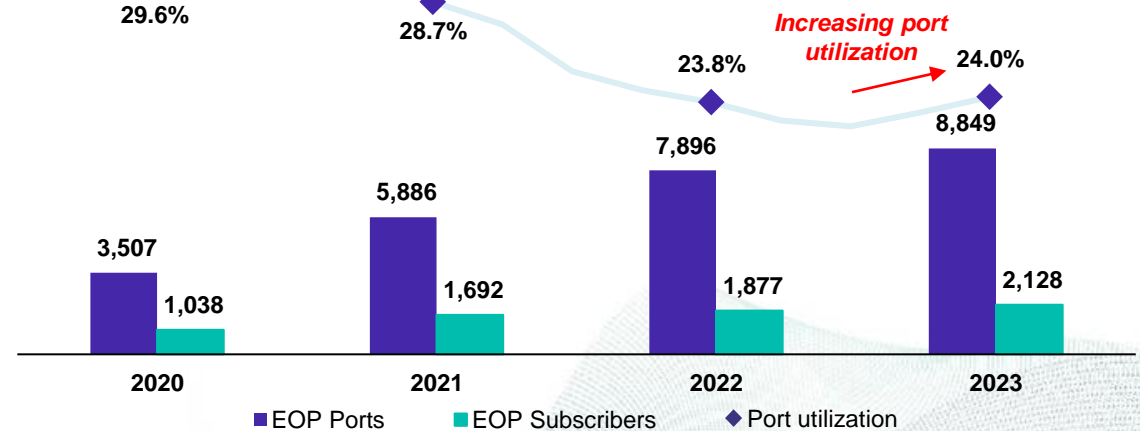
Quarterly Consolidated Gross Adds - By Product

In 000s



Port Utilization

In 000s

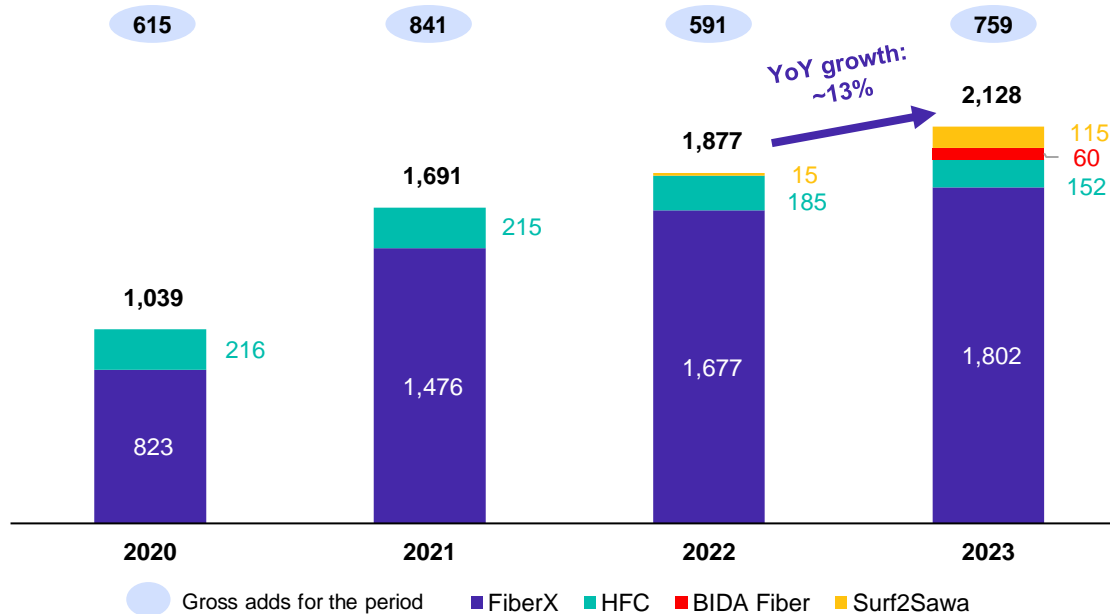


Note 1 – Across all product segments – FiberX, BIDA Fiber, Surf2Sawa, and HFC

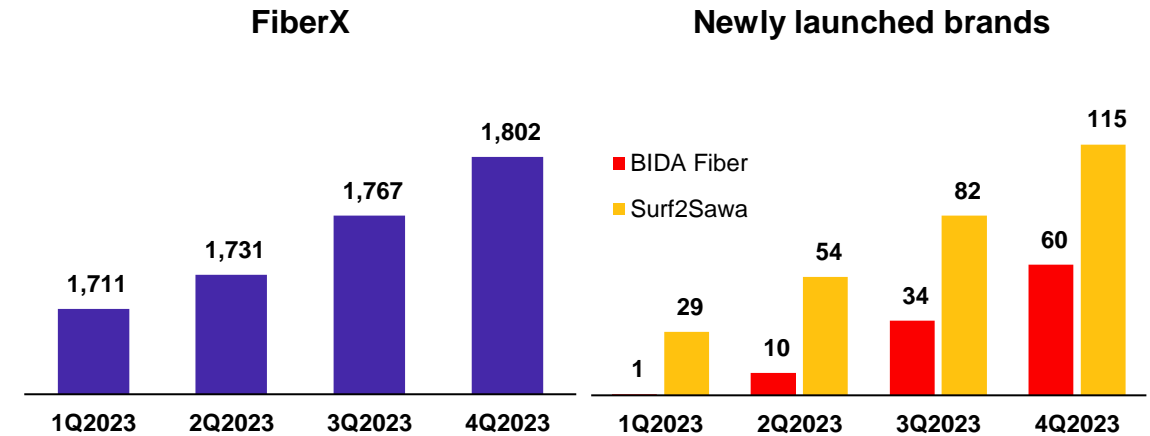
Consolidated EOP subscribers ended at >2.1Mn; Newly launched brands total EOP subscribers at 175k – outperforming initial target of 120k

Consolidated ending subscriber count for FY 2023 ended at 2,128,052

Year-end Subscribers ('000)



Quarter-end Subscribers ('000)



✓ Net **consolidated** subscriber adds of ~251k in FY2023 – up by 35% compared to the 186k net consolidated subscriber adds of FY2022.

✓ 4Q2023 net **consolidated** subscriber adds at ~80k – the **highest** since 1Q2022.

✓ **FiberX** sustained the same level of **net adds in 4Q2023 at 35k** from the previous quarter owing to the sharp decline of **churn – 2.1% in 4Q2023**.

✓ **BIDA Fiber and Surf2Sawa** maintained **promising growth trajectory** and are still expected to ramp up as they expand their sales network.

✓ **FiberX ARPU** ended at PHP 1,316 in 4Q2023 while **BIDA Fiber and Surf2Sawa's ARPUs** remained stable in 4Q2023 at PHP 736 and PHP 442, respectively.

Enterprise maintains robust growth in FY2023 with all sub-segments delivering double-digit YoY increases

SME leads enterprise subsegment growth, growing by 35% YoY

All enterprise segments continue their upward trajectory

Enterprise revenues by segment

Monthly Recurring Revenues (MRC) only - In PHP millions



● % of Wholesale to Enterprise Revenues
 ● % of Enterprise and Corporate to Enterprise Revenues
 ● % of SME to Enterprise Revenues
 ■ Wholesale
 ■ Enterprise and Corporate
 ■ SME

SME Sub-segment Growth Drivers

- Strong and Strategic Collaboration with Partners
- Territory Knowledge and Network
- Industry Focused Approach on Selling
- Increased conversion on lead generation and on-ground events
- Available omnichannel presence

Notes:
 1. Including non-MRC revenues, Enterprise grew by 19.9% YoY for FY2023. On an MRC only basis, Enterprise grew by 17.9% YoY for FY2023.

Mr. Benjamin B. Azada

Chief Commercial Officer and Chief Sustainability Officer



#LeaveNoOneBehind

Improving network operations and customer service

Network operations metrics and recognition (FY2023)

Across the board faster average repair time in 2023 vs 2022

Backbone
mean time to repair

↓ **23%**
vs. 2022 average

Outside plant
mean time to repair

↓ **17%**
vs. 2022 average

Field network ops
mean time to repair

↓ **41%**
vs. 2022 average

Multi-Awarded Network Intelligence and Automation Platform (NIAP)

In FY2023, Converge launched the **Network Intelligence and Automation Platform (NIAP)** which revolutionizes Network Operations by integrating artificial intelligence (AI) to automate network fault detection, performance management, and field operations.



Winner for AI in Broadband Telecommunications
Asian Technology Excellence Awards 2023



Technology Innovation of the Year – Philippines
Asian Telecom Awards 2024



AI Initiative of the Year - Philippines
Asian Telecom Awards 2024

Customer service metrics (4Q2023)

Faster answer and handle time across different CXP platforms

Voice Support CXP



% of calls answered within 30 secs.

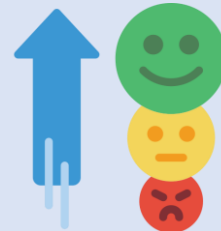
↑ **138%**
vs. 3Q2023

Ave. answer time

↓ **74%**
vs. 3Q2023

Ave. handle time

↓ **21%**
vs. 3Q2023



Average ticket time

↓ **17%**
vs. 3Q2023



SocMed handle time

↓ **9%**
vs. 3Q2023

Converge remains steadfast in its commitment to sustainable practices

Sustainability ratings and initiatives (4Q/FY2023)

Significant rating upgrades across three major 3rd party sustainability ratings

3 rd party ratings	2022	2023
MSCI	BBB	A
Sustainalytics	23.4 / Medium Risk	19.6 / Low Risk
CDP	C¹	C¹
S&P	40/100	50/100

Continuous efforts in improving corporate sustainability practices

Sustainability initiatives in 4Q2023



Registered our EPR program in compliance with R.A. No. 11898



Implemented 3rd party ESG reporting platform



Started to adopt IFRS reporting for FY2023 SR; Increased level of assurance



Inaugural UNGC Communication on Progress for FY2022



Signed UNGC's Call-to-Action for Stronger Anti-Corruption Efforts

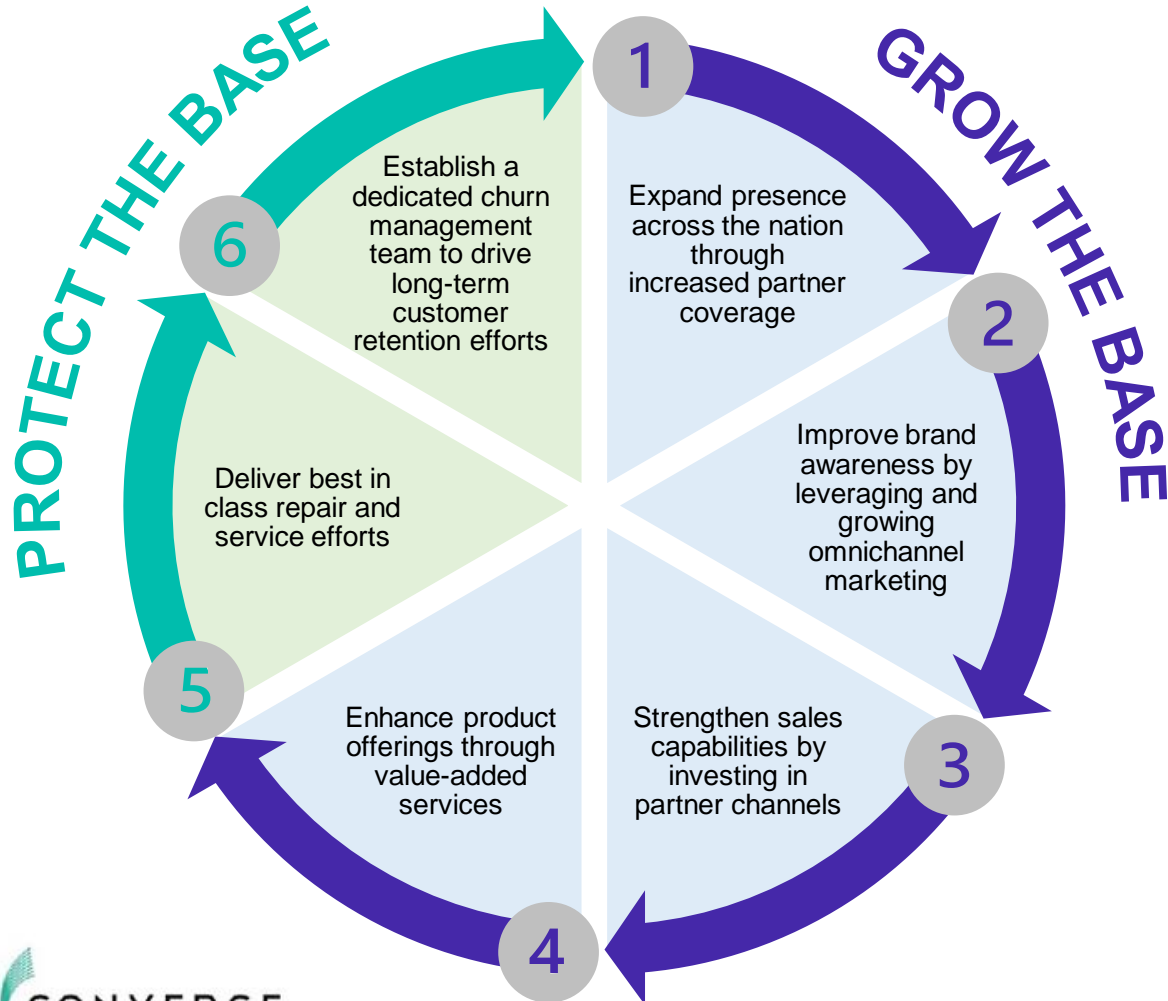
Notes:

1. Corresponds to "Awareness" level per Carbon Disclosure Project (CDP) scoring methodology, which indicates that a Company evaluates how environmental issues intersect with its business, and how its operations affect people and ecosystems.

Residential and Enterprise Business Initiatives

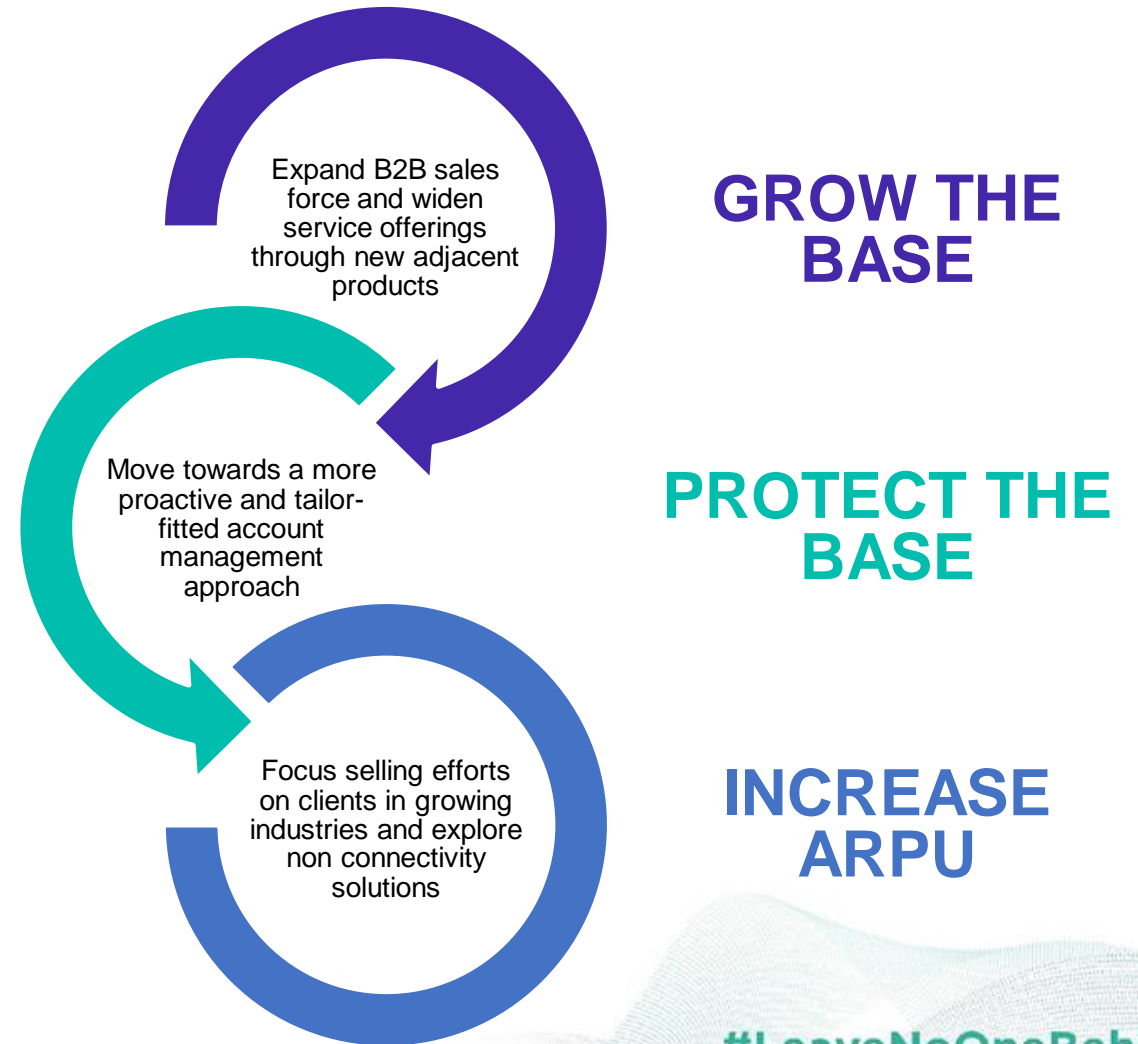
Residential Segment

Initiatives that cover each stage of the customer lifecycle to drive growth and improve customer stickiness



Enterprise Segment

Initiatives to grow the segment through adjacent offerings while strengthening core enterprise business



Q&A



[#LeaveNoOneBehind](#)



Thank you!



#LeaveNoOneBehind

Disclaimer

This material has been prepared exclusively for information and disclosure purposes only. This does not constitute any offer to buy or sell securities. These 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 of CNVRG to be materially different from those expressed or implied in this release, including, but not limited to, changes in general economic, political, governmental and business conditions in the Philippines and globally, as may be applicable; changes in interest rates; changes in inflation rates; changes in exchange rates; the level and speed of network construction generally; changes in raw materials and energy prices, changes in business strategies; and various other factors. 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. CNVRG disclaims any obligation or undertaking to update or revise the information contained in these materials and releases. This communication is not intended to be provided to, and may not be used by, any person or entity in any jurisdiction where the provision or use thereof would be contrary to applicable laws, rules, or regulations.

Expanding target addressable market

New product offerings to result in larger target market



Quarterly Operational Performance

	2022				2023				YoY Change %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	4Q2023 vs 4Q2022
Residential									
Revenues (In PHP millions)	6,812	7,272	7,278	8,100	7,399	7,476	7,595	7,812	-3.6%
FTTH	6,299	6,800	6,853	7,605	7,089	7,186	7,335	7,600	-0.1%
HFC	513	472	424	480	311	291	259	212	-55.8%
Customers	1,802,202	1,817,115	1,845,162	1,877,361	1,920,361	1,969,663	2,048,286	2,128,052	13.4%
FTTH	1,591,472	1,622,115	1,652,977	1,692,205	1,740,666	1,795,858	1,882,987	1,976,500	16.8%
HFC	210,370	195,000	192,185	185,156	179,695	173,805	165,299	151,552	-18.1%
Homes Passed	12,200,921	13,493,993	14,316,633	14,944,517	15,921,229	16,567,221	16,736,629	16,850,877	12.8%
FTTH	11,350,120	12,643,192	13,456,376	14,089,216	15,065,928	15,711,920	15,881,328	15,995,576	13.5%
HFC	850,801	850,801	850,801	855,301	855,301	855,301	855,301	855,301	0.0%
Ports	6,525,861	7,172,397	7,583,717	7,899,909	8,388,265	8,711,261	8,795,965	8,853,089	12.1%
FTTH	5,675,060	6,321,596	6,732,916	7,044,608	7,532,964	7,855,960	7,940,664	7,997,788	13.5%
HFC	850,801	850,801	850,801	855,301	855,301	855,301	855,301	855,301	0.0%
Household Coverage (%)	47.5%	52.1%	53.0%	56.2%	59.9%	62.3%	62.9%	63.36%	12.7%
ARPU	1,243	1,278	1,261	1,240	1,219	1,208	1,196	1,195	-3.6%
FTTH	1,301	1,351	1,323	1,309	1,297	1,277	1,262	1,225	-6.4%
HFC	790	701	663	632	562	543	506	482	-23.8%
Customer Churn (%)	1.47	2.49	1.96	1.75	1.89	2.04	2.4	2.18	24.5%
FTTH	1.48	2.43	2.12	1.78	2.09	2.12	2.50	2.11	18.5%
HFC	1.37	2.98	0.83	1.43	1.16	1.19	1.68	3.03	112.0%
Port Utilization (%)	27.6	25.3	24.4	23.8	22.9	22.6	23.3	24.0	1.0%
FTTH	28.5	25.7	24.6	23.9	23.1	22.9	23.7	24.7	3.4%
HFC	21.7	22.9	22.7	21.8	21.1	20.4	19.4	17.7	-18.7%
Enterprise									
Revenues (In PHP millions)	935	1,034	1,149	1,115	1,243	1,244	1,292	1,299	16.5%
Customers	29,723	31,886	35,324	37,563	40,683	42,797	45,736	48,150	28.2%
ARPU	11,195	11,114	11,430	11,076	10,398	10,130	10,195	8,824	-20.3%
Customer Churn (%)	1.98	2.19	2.69	2.73	1.58	1.27	1.22	1.14	-58.2%

Consolidated Income Statement

	For the year ended December 31				For the three months ended December 31			
	2023	2022	YoY change	YoY change %	2023	2022	YoY change	YoY change %
Revenues	35,359	33,696	1,664	5%	9,111	9,215	(104)	-1%
<i>Residential</i>	30,282	29,402	881	3%	7,812	8,100	(288)	-4%
<i>Enterprise</i>	5,077	4,294	783	18%	1,299	1,115	184	16%
Cost of services	(12,710)	(13,438)	728	-5%	(3,781)	(3,788)	7	0%
Gross profit	22,649	20,257	2,391	12%	5,330	5,427	(97)	-2%
General and administrative expenses	(6,947)	(6,601)	(346)	5%	(1,726)	(1,965)	239	-12%
Provision for impairment of trade and other receivables	(1,369)	(1,660)	291	-18%	402	(467)	869	-186%
Unrealized fair value loss on financial asset at FVTPL	4	(6)	10	-156%	(3)	(9)	6	-67%
Other income (loss), net	(136)	(403)	267	-66%	222	(427)	649	-152%
Profit from operations	14,201	11,587	2,614	23%	4,224	2,558	1,666	65%
Finance costs	(2,079)	(1,732)	(347)	20%	(503)	(551)	48	-9%
Profit before income tax	12,122	9,855	2,267	23%	3,721	2,008	1,713	85%
Income tax expense	(3,023)	(2,416)	(607)	25%	(991)	(676)	(315)	47%
Profit after income tax for the period	9,099	7,439	1,660	22%	2,731	1,332	1,399	105%
Other comprehensive income	(25)	1	(27)	-1831%	(25)	1	(26)	-2610%
Total comprehensive income	9,074	7,440	1,633	22%	2,706	1,333	1,373	103%
Profit after income tax	9,099	7,439	1,660	22%	2,731	1,332	1,399	105%
Finance costs	2,079	1,732	347	20%	503	551	(48)	-9%
Income taxes	3,023	2,416	607	25%	991	676	315	47%
Depreciation and amortization – cost of services	6,015	6,063	(48)	-1%	1,676	1,781	(105)	-6%
Depreciation and amortization – general and administrative expenses	430	495	(65)	-13%	285	114	171	150%
Amortization of subscriber acquisition costs	883	1,207	(325)	-27%	195	454	(259)	-57%
EBITDA	21,528	19,352	2,176	11%	6,380	4,908	1,472	30%
EBITDA Margin	60.9%	57.4%			70.0%	53.3%		

Consolidated Income Statement

	For the year ended December 31				For the three months ended December 31			
	2023	2022	YoY change	YoY change %	2023	2022	YoY change	YoY change %
	(in ₹ millions)							
Depreciation and amortization	6,015	6,063	(48)	-1%	1,676	1,781	(105)	-6%
Amortization of deferred contract cost	2,135	2,823	(688)	-24%	567	1,013	(446)	-44%
Repairs and maintenance expense	1,585	1,004	581	58%	547	261	286	110%
Bandwidth and leased line costs	672	829	(157)	-19%	178	70	108	155%
Rent	797	458	340	74%	394	134	260	194%
Service fees	444	493	(49)	-10%	110	111	(1)	-1%
Personnel costs	225	326	(101)	-31%	(45)	41	(86)	-210%
Network materials and supplies used	188	1,172	(985)	-84%	84	272	(188)	-69%
Others	650	269	380	141%	271	105	166	158%
Total cost of services	12,710	13,438	(728)	-5%	3,781	3,788	(7)	0%
Gross profit	22,649	20,257	2,391	12%	5,330	5,427	(97)	-2%
Gross profit margin	64.1%	60.1%			58.5%	58.9%		
Managed service fees	2,168	1,186	982	83%	692	418	274	65%
Personnel costs	1,418	1,435	(17)	-1%	271	134	137	102%
Outside services	1,080	1,203	(123)	-10%	67	557	(490)	-88%
Promotions	439	594	(155)	-26%	142	221	(79)	-36%
Taxes and licenses	321	423	(102)	-24%	48	121	(73)	-60%
Depreciation and amortization	430	495	(65)	-13%	285	114	171	150%
Other general and administrative expenses	1,090	1,264	(174)	-14%	222	401	(179)	-45%
Total G&A expenses	6,947	6,601	346	5%	1,726	1,965	(239)	-12%
Provision for impairment of receivables	1,369	1,660	(291)	-18%	(402)	467	(869)	-186%
Unrealized fair value loss on financial asset at FVPTL	(4)	6	(10)	-156%	3	9	(6)	-67%
Other income/(expenses)	136	403	(267)	-66%	(222)	427	(649)	-152%
Operating profit	14,201	11,587	2,614	23%	4,224	2,558	1,666	65%
Operating profit margin	40.2%	34.4%			46.4%	27.8%		

Consolidated Income Statement

	For the year ended December 31				For the three months ended December 31			
	2023	2022	YoY change	YoY change %	2023	2022	YoY change	YoY change %
	(in ₹ millions)							
Provision for impairment of property plant and equipment	1,059	707	352	50%	657	-	657	#DIV/0!
Provision for inventory obsolescence	145	-	145	#DIV/0!	(33)	-	(33)	#DIV/0!
Net foreign exchange gain/(loss)	(77)	(27)	(50)	182%	(94)	(49)	(45)	91%
Equity share in net income of associate and joint ventures	(248)	(51)	(197)	387%	(218)	4	(221)	-6094%
Interest income	(388)	(53)	(335)	637%	(231)	-	(231)	#DIV/0!
Miscellaneous income (expense)	(355)	(173)	(182)	105%	(304)	473	(777)	-164%
Total other income (expense), net	136	403	(267)	-66%	(222)	427	(649)	-152%
Operating profit	14,201	11,587	2,614	23%	4,224	2,558	1,666	65%
Finance cost	2,079	1,732	347	20%	503	(551)	1,054	-191%
Profit before income tax	12,122	9,855	2,267	23%	3,721	2,008	1,713	85%
Income tax expense	3,023	2,416	607	25%	991	(676)	1,667	-247%
Net income	9,099	7,439	1,660	22%	2,731	1,332	1,399	105%
Net income margin	25.7%	22.1%			30.0%	14.5%		

Consolidated Balance Sheet

	As of the period			
	Dec 31, 2023	Dec 31, 2022	Change	Change %
In P millions				
Current assets				
Cash and cash equivalents	13,694	10,214	3,480	34%
Trade and other receivables, net	3,456	3,337	119	4%
Due from related parties, net, current portion	209	609	(401)	-66%
Network materials and supplies, net	2,024	4,385	(2,361)	-54%
Deferred contract costs, current portion	984	1,007	(22)	-2%
Other current assets	1,788	3,046	(1,259)	-41%
Non-current assets				
Property, plant and equipment, net	67,530	62,534	4,996	8%
Right-of-use assets, net	2,853	3,294	(440)	-13%
Intangible assets, net	2,145	2,385	(240)	-10%
Due from related parties, net of current portion	154	157	(4)	-2%
Advances to fixed assets suppliers	3,605	4,317	(713)	-17%
Other non-current assets	2,703	2,813	(110)	-4%
Total assets	101,145	98,098	3,047	3%
Current liabilities				
Trade and other current liabilities	16,199	17,055	(856)	-5%
Due to related parties	42	111	(69)	-62%
Borrowings, current portion	5,258	3,240	2,019	62%
Lease liabilities, current portion	460	616	(155)	-25%
Other current liabilities	1,958	3,701	(1,743)	-47%
Non-current liabilities				
Borrowings, net of current portion	29,985	35,000	(5,015)	-14%
Retirement benefit obligation, net	12	153	(141)	-92%
Other non-current liabilities	1,984	2,111	(127)	-6%
Total liabilities	55,899	61,988	(6,088)	-10%
Total equity	45,246	36,111	9,135	25%
Total liabilities and equity	101,145	98,098	3,047	3%

Consolidated Cash Flow Statement

	2023	2022	YoY change	YoY change %
	For the year ended December 31 (in ₱ millions)			
Cash flow from operating activities				
Profit before income tax	12,122	9,856	2,266	23%
Adjustments for operating income	12,490	13,238	(748)	-6%
Adjustments for assets and liabilities	(3,765)	(8,120)	4,356	-54%
Cash from operations	20,847	14,973	5,874	39%
Interest received, retirement and income taxes paid	(3,218)	(3,368)	150	-4%
Net cash from operating activities	17,629	11,605	6,023	52%
Cash flow from investing activities				
Acquisition of property, plant, and equipment and intangibles	(8,855)	(19,192)	10,337	-54%
Others	52	(205)	257	-126%
Net cash used in investing activities	(8,803)	(19,397)	10,594	-55%
Cash flow from financing activities				
Proceeds from borrowings	500	11,500	(11,000)	-96%
Payment of borrowings	(3,523)	(2,987)	(536)	18%
Proceeds from issuance of bonds	-	10,000	(10,000)	-100%
Acquisition of treasury shares	-	(6,499)	6,499	-100%
Others	(2,500)	(2,375)	(125)	5%
Net cash (used in) from financing activities	(5,523)	9,640	(15,162)	-157%
Net increase in cash and cash equivalents	3,303	1,848	1,455	79%
Cash and cash equivalents, beginning	10,214	8,084	2,130	26%
Effects of exchange rate changes in cash and cash equivalents	177	282	(105)	-37%
Cash and cash equivalents, ending	13,694	10,214	3,480	34%

Liquidity and Capital Resources

	December 31, 2023	December 31, 2022	Change (%)
Balance Sheet Data (in ₱ millions)			
Total Assets	101,145	98,098	3%
Total Debt ⁽¹⁾	35,244	38,240	-8%
Total Stockholders' Equity	45,246	36,111	25%
Financial Ratios			
Total Debt to EBITDA (gross)	1.6x	2.0x	
Total Debt to EBITDA (net)	1.0x	1.4x	
Debt Service Coverage ⁽²⁾	2.4x	3.9x	
Interest Coverage (gross) ⁽³⁾	10.4x	11.2x	
Debt to Equity (gross) ⁽⁴⁾	0.8x	1.1x	
Debt to Equity (net) ⁽⁵⁾	0.5x	0.8x	
Return on Invested Capital ⁽⁶⁾	16.3%	15.7%	