



## **CONSENT SOLICITATION STATEMENT**

Consent Solicitation for Proposed Amendments to the Trust Indenture dated 5 July 2013, as amended by the Supplement Trust Indenture dated 22 August 2016, Governing the ₱7 Billion Bonds due 2020 & 2023

For questions regarding this Consent Solicitation Statement, please contact any of the following:

### **BPI Capital Corporation**

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(+632) 790 8992  
rcmpalmones@bpi.com.ph

### **BDO Capital & Investment Corporation**

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tajan.paula@bdo.com.ph

### **China Bank Capital Corporation**

28<sup>th</sup> Floor BDO Equitable Tower  
8751 Paseo de Roxas Makati City  
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fmmcatibog@chinabank.ph

### **First Metro Investment Corporation**

45<sup>th</sup> Floor GT Tower International  
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**The Hongkong and Shanghai Banking Corporation Limited**

HSBC Center, 3058 Fifth Avenue West  
Bonifacio Global City, Taguig City  
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**ING Bank, N.V., Manila Branch**

21<sup>st</sup> Floor Ayala Tower One, Ayala Triangle  
Makati City, Philippines  
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**Land Bank of the Philippines**

15<sup>th</sup> Floor Landbank Plaza, M.H. Del Pilar cor. Dr. J. Quinto Sts.  
Malate, Manila  
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jala@mail.landbank.com

**RCBC Capital Corporation**

21<sup>st</sup> Floor Tower 2, RCBC Plaza,  
6819 Ayala Ave, Makati, 1226 Philippines  
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cplaguio@rcbc.com

**SB Capital Investment Corporation**

18<sup>th</sup> Floor Security Bank Centre, 6776 Ayala Avenue  
Makati City, 1226 Philippines  
Attention: Marvin S. Matias / Bernadette D. Caacbay  
(+632) 888 7353 / 888 7355  
MMatias@securitybank.com.ph / BCaacbay@securitybank.com.ph

Delivery of a Consent Form shall be deemed made only when actually received  
by the Solicitation Agent. Please ensure delivery to the Solicitation Agent:

**BPI Asset Management and Trust Corporation**

2<sup>nd</sup> Floor BPI Building, Ayala Avenue, corner Paseo de Roxas

Makati City, 1226, Philippines  
Attention: Martin Jerald P. Juco  
(+632) 816 9823 / 845 5760  
mjjjuco@bpi.com.ph

Subject to the terms and conditions set forth in this Consent Solicitation Statement, Globe Telecom, Inc. (the “Company,” “Globe,” “we,” or “us”) is soliciting consents (the “Consent Solicitation”) of registered bondholders (“Registered Bondholders”) of its ₱7 Billion Bonds due 2020 & 2023 (the “Bonds”) for the adoption of certain amendments (the “Proposed Amendments”) to the Trust Indenture dated 5 July 2013, as amended by the Supplement Trust Indenture dated 22 August 2016 (the “Trust Indenture”), between us and Bank of the Philippine Islands-Asset Management and Trust Group, as trustee (the “Trustee”), under which the Bonds were issued. This Consent Solicitation Statement, letter of Consent (“Consent Form”), and other related documents are being sent to all persons who are Registered Bondholders. The Company is also soliciting consents of the registered bondholders of its ₱5.5 Billion bonds due 2019 (“2019 Bonds”) for the adoption of the Proposed Amendments to the Trust Indenture dated 18 May 2012, as amended by the Supplement Trust Indenture executed by and between the Company and the Trustee dated 22 August 2016 (the “2019 Trust Indenture”), under which the 2019 Bonds were issued. The consent solicitation for the 2019 Bonds is covered by a separate consent solicitation statement dated 17 September 2018 (the “2019 Bonds Consent Solicitation Statement”). The consent solicitations for the Bonds and the 2019 Bonds are considered by Globe as a collective and singular process.

If we receive the following, at or prior to the Expiration Date (as defined below), (a) Consent Forms from at least a majority of the aggregate principal amount of all of the outstanding Bonds (the “Requisite Consents”), (b) Consent Forms from at least a majority of the aggregate principal amount of all of the outstanding 2019 Bonds in accordance with the terms of the 2019 Bonds Consent Solicitation Statement (“Other Required Consents”), and (c) a certification from the Trustee that the Requisite Consents and Other Required Consents have been, and the other conditions set forth herein are satisfied or waived by Globe, (i) we will adopt the Proposed Amendments, (ii) we will enter into two separate second supplemental indentures (each a “Second Supplement Trust Indenture” collectively, the “Second Supplement Trust Indentures”) to amend the Trust Indenture and the 2019 Trust Indenture, and (iii) three (3) Business Days from the execution of the Second Supplement Trust Indentures (the “Consent Fee Payment Date”), the consent fee of ₱ 1.25 for each ₱ 1,000.00 on the principal amount of the Bonds (the “Consent Fee”) will be paid to the consenting Registered Bondholders as of Expiration Date, who have delivered valid and properly completed Consent Forms at or prior to Expiration Date. **If we receive the Requisite Consents and Other Required Consents, the Proposed Amendments will be binding on all Registered Bondholders, including those that do not consent to the Proposed Amendments. However, only those Registered Bondholders that timely consent prior to the Expiration Date will be eligible to receive the Consent Fee.**

**THE SOLICITATION WILL EXPIRE AT 12:00 P.M., PHILIPPINE STANDARD TIME, ON FRIDAY, 19 OCTOBER 2018, OR SUCH DATE THAT THE REQUISITE CONSENTS AND OTHER REQUIRED CONSENTS ARE OBTAINED, WHICHEVER IS EARLIER**

**(SUCH DATE AND TIME, MAY BE EXTENDED OR SOONER TERMINATED FROM TIME TO TIME AT OUR SOLE DISCRETION, THE “EXPIRATION DATE”).**

Requests for assistance in completing and delivering Consent Forms, or for additional copies of the Consent Form or this Consent Solicitation Statement, should be directed to the Solicitation Agent (as defined below) at the address or telephone numbers set out in this Consent Solicitation Statement. Questions concerning the terms of the Consent Solicitation should be directed to the Advisor or the Associates at their respective addresses, telephone numbers or email addresses set forth in this Consent Solicitation Statement.

The Solicitation Agent for the Consent Solicitation is:  
**BPI Asset Management and Trust Corporation**

This Consent Solicitation Statement is dated 17 September 2018.

## TABLE OF CONTENTS

TABLE OF CONTENTS.....	5
IMPORTANT INFORMATION .....	7
IMPORTANT DATES FOR THE CONSENT SOLICITATION.....	9
CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS.....	10
SUMMARY .....	11
Overview.....	11
THE COMPANY .....	15
RISK FACTORS .....	16
THE BONDS .....	17
PURPOSE OF THE SOLICITATION .....	18
Description of the Proposed Amendment.....	19
THE SOLICITATION .....	21
General.....	21
Consent Fees .....	21
How to Consent.....	22
Requisite Consents.....	24
Conditions to the Solicitation .....	25
Expiration Date .....	26
Assistance and Information.....	27
Fees and Expenses .....	27
TAX CONSIDERATIONS.....	28
Tax on the Consent Payments.....	28
Documentary Stamp Tax .....	28
WHERE YOU CAN FIND MORE INFORMATION .....	29
INCORPORATION OF DOCUMENTS BY REFERENCE .....	32
MISCELLANEOUS .....	33
ANNEX A: CONSENT FORM.....	34

Registered Bondholders may consent by executing and delivering prior to the Expiration Date a Consent Form in accordance with the instructions described in this Consent Solicitation Statement and the Consent Form. To be entitled to the Consent Fee, such Registered Bondholder must be a Registered Bondholder as of Expiration Date and the other conditions for payment set forth herein must be fulfilled or waived by Globe.

Your consent is important regardless of the size of your holdings because the consents of Registered Bondholders of at least a majority in aggregate principal amount of all of the outstanding Bonds are needed to approve the Proposed Amendments. If, on the Expiration Date, the Requisite Consents have been received for the Bonds and the Other Required Consents have been received for the 2019 Bonds, we will execute the Second Supplement Trust Indentures with the Trustee, which will implement the adoption of the Proposed Amendments. Failure to complete and return a Consent Form will have the effect of a vote against the Proposed Amendments. If we do not receive the Requisite Consents and Other Required Consents, we will not execute either Second Supplement Trust Indentures and will not pay any Consent Fees and the Proposed Amendments will not become operative.

All properly completed, executed and dated Consent Forms must be received by the Solicitation Agent, prior to Expiration Date. We may extend or sooner terminate the Expiration Date in our sole discretion.

**If we receive the Requisite Consents and Other Required Consents and we enter into the Second Supplement Trust Indentures to amend the Trust Indenture, Registered Bondholders who did not deliver a Consent Form, properly completed or otherwise, to the Solicitation Agent, on or prior to the Expiration Date, will still be bound by the Proposed Amendments, but will not be entitled to receive any Consent Fee.**

A Consent Form is enclosed with this Consent Solicitation Statement. Deliveries of Consent Forms should be made only to the Solicitation Agent or any of the Associates, at its address as set out in this Consent Solicitation Statement, provided that Consent Forms shall be deemed delivered only when actually received by the Solicitation Agent. Consent Forms must be received by an Associate before 12:00 p.m., Philippine Standard Time, otherwise, such Consent Form shall be considered received on the next Business Day. Consent Forms should not be delivered to the Company. **Do not for any reason, deliver your Bonds to us, the Trustee or the Solicitation Agent.**

## IMPORTANT INFORMATION

The Proposed Amendments constitute a single proposal and a consenting Registered Bondholder may only consent to the Proposed Amendments in their entirety and may not consent individually or selectively. The Solicitation is being made upon the terms and subject to the conditions contained in this Consent Solicitation Statement. Only Registered Bondholders and their duly designated proxies will be entitled to consent to the Proposed Amendments. However, to be entitled to the Consent Fee, such Registered Bondholder must be a Registered Bondholder as of Expiration Date and the other conditions for payment set forth herein must be fulfilled or waived by Globe. Capitalized terms used in this Consent Solicitation Statement and not otherwise defined have the meanings given to such terms in the Trust Indenture. When we refer to this “Consent Solicitation Statement” we are referring not only to this Consent Solicitation Statement, but also to the exhibits and other documents that we refer to in, and incorporate by reference into, this document.

In making your decision, you should rely only on the information contained in this Consent Solicitation Statement. We have not, and the Solicitation Agent has not authorized anyone to provide you with any different or supplemental information. If you receive any such information, you should not rely on it. You should not assume that the information in this Consent Solicitation Statement is accurate as of any date other than the date on the cover page or that information we have incorporated by reference is accurate as of any date other than the date of the document incorporated by reference. The delivery of this Consent Solicitation Statement shall not, under any circumstances, create any implication that the information contained in it is correct as of any time subsequent to the date on the cover page or that there has been no change in the information contained in, or incorporated by reference into, this Consent Solicitation Statement. By delivering your Consent Form, you represent that you are consenting to the Proposed Amendments solely based on the information contained in, or incorporated by reference into, this Consent Solicitation Statement and your own examination of us and the terms of the Proposed Amendments.

This Consent Solicitation Statement has not been reviewed by the Philippine Securities and Exchange Commission.

**NONE OF THE COMPANY, THE SOLICITATION AGENT, THE TRUSTEE, THE ADVISOR, OR ANY OF THE ASSOCIATES MAKES ANY RECOMMENDATION AS TO WHETHER OR NOT REGISTERED BONDHOLDERS SHOULD CONSENT TO THE PROPOSED AMENDMENTS. EACH REGISTERED BONDHOLDER MUST MAKE HIS, HER OR ITS OWN DECISION AS TO WHETHER TO EXECUTE AND DELIVER A CONSENT PURSUANT TO THIS CONSENT SOLICITATION STATEMENT. REGISTERED BONDHOLDERS ARE URGED TO CAREFULLY EVALUATE ALL OF THE INFORMATION IN THIS CONSENT SOLICITATION STATEMENT AND TO CONSULT THEIR OWN INVESTMENT AND TAX ADVISORS IN MAKING THEIR DECISION AS TO WHETHER TO EXECUTE AND DELIVER A CONSENT PURSUANT TO THIS CONSENT SOLICITATION STATEMENT.**

**This Consent Solicitation Statement does not constitute a solicitation of Consents in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make the Consent Solicitation. Persons who receive this Consent Solicitation Statement must inform themselves about and observe any applicable restrictions on the distribution and solicitation of Consent Forms.**

**No dealer, salesperson, or other person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Consent Solicitation Statement and, if given or made, that information or representation must not be relied upon as having been authorized by the Company or the Solicitation Agent. The delivery of this Consent Solicitation Statement will not, under any circumstances, create any implication that the information set forth or incorporated by reference herein is correct as of any time subsequent to the date hereof or thereof, or that there has been no change in the affairs of the Company or its subsidiaries since such date.**

None of the Company, the Solicitation Agent, the Trustee, the Advisor or any of the Associates makes any recommendation, representation or warranty in connection with the Proposed Amendments.



## IMPORTANT DATES FOR THE CONSENT SOLICITATION

Bondholders should take note of the following important dates in connection with the Consent Solicitation. Please note that this schedule is subject to change if the Company adjusts the Expiration Date to a later or earlier time and date, or otherwise amends the terms of this Consent Solicitation, in its sole discretion, as permitted by and in accordance with the Consent Solicitation Statement.

Date	Event
<i>17 September 2018</i>	Sending out of the Consent Solicitation Statements by courier to Registered Bondholders commences and the Consent Solicitation Statements are posted on the Company's website at <a href="http://www.globe.com.ph">www.globe.com.ph</a> .
<i>24 September – 19 October 2018 or such date that the Requisite Consents and Other Required Consents are obtained, whichever is earlier.</i>	Consent Period during which the Registered Bondholders may deliver Consent Forms, as may be adjusted by the Company to a later or earlier time and date in its sole discretion.
<i>12:00 pm (Philippine Standard Time) of 19 October 2018 or such date that the Requisite Consents and Other Required Consents are obtained, whichever is earlier.</i>	<b>Expiration Date</b> – The deadline for a Registered Bondholder to deliver Consent Forms pursuant to the Consent Solicitation and be eligible to receive the Consent Fee. <b>The Expiration Date may be adjusted at Globe's discretion to a later or earlier date than 19 October 2018. In any case, the Expiration Date will occur on the date that the Requisite Consents and the Other Required Consents sufficient to approve all Proposed Amendments have been received.</b>
<i>25 October 2018 or three (3) Business Days after the Trustee certifies that the Requisite Consents and the Other Required Consents have been obtained</i>	<b>Estimated Execution Date</b> – The date on which the Company and Trustee may enter into the Second Supplement Trust Indentures
<i>30 October 2018 or three (3) Business Days after the execution of the Second Supplement Trust Indentures</i>	The estimated Consent Fee Payment Date – The date upon which the Proposed Amendments will become effective after the payment of the Consent Fee by the Company pursuant to the Consent Solicitation.

## **CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS**

Some of the information included in this Consent Solicitation Statement and the documents incorporated by reference herein contains “forward-looking statements.” These statements use forward-looking words such as “may,” “will,” “should,” “could,” “achievable,” “anticipate,” “believe,” “expect,” “estimate,” “project” or other words and phrases of similar meaning. These statements discuss goals, intentions and expectations as to future trends, plans, events, results of operations or financial condition or state other “forward-looking” information. A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statements. We believe we have chosen these assumptions or bases in good faith and that they are reasonable. However, we caution you that assumed facts or bases almost always vary from actual results, and the differences between assumed facts or bases and actual results can be material, depending on the circumstances. When considering forward-looking statements, you should keep in mind the cautionary statements in the documents we have incorporated by reference. These statements reflect our current views with respect to future events and are subject to various risks, uncertainties and assumptions, including, but not limited, to:

- general economic, political and other conditions in the Philippines;
- the Company’s management’s expectations and estimates concerning its future financial performance;
- the Company’s level of indebtedness;
- the Company’s capital expenditure program and other liquidity and capital resources requirements;
- the size and growth of the Company’s customer base;
- inflation on the Philippines and any devaluation of the Peso;
- existing and future governmental regulation; and
- the risk factors discussed in the Prospectus dated 5 July 2013 as well as other factors beyond the Company’s control.

Additional information concerning these and other factors can be found in our press releases and public periodic filings with the Philippine Securities and Exchange Commission (the “SEC”). Many of the factors that will determine our future results are beyond the ability of management to control or predict. Readers should not place undue reliance on forward-looking statements, which reflect management’s views only as of the date hereof. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements in this paragraph and in the documents incorporated herein by reference. We undertake no obligation to revise or update any forward-looking statements, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.

**THIS CONSENT SOLICITATION STATEMENT (INCLUDING THE DOCUMENTS INCORPORATED BY REFERENCE HEREIN) AND THE RELATED CONSENT FORM CONTAIN IMPORTANT INFORMATION THAT SHOULD BE READ BEFORE ANY DECISION IS MADE WITH RESPECT TO THE SOLICITATION.**

## SUMMARY

*This summary highlights some information about the Company and this Consent Solicitation Statement. It may not contain all of the information that is important to the Registered Bondholders. Registered Bondholders should read this Consent Solicitation Statement in its entirety together with the more detailed information and consolidated financial statements and the related notes found in the documents we file with the Philippine Securities and Exchange Commission. Registered Bondholders should assume that the information in this Consent Solicitation Statement is accurate only as of the date of this Consent Solicitation Statement, or, in the case of documents we previously filed with the SEC and incorporated by reference, as of the date of those documents.*

### Overview

The purpose of this Consent Solicitation is to obtain the Requisite Consents of the Registered Bondholders holding at least a majority in aggregate principal amount of all of the outstanding Bonds to approve the Proposed Amendments. For a more detailed description of the consent we are seeking, please refer to the discussion under the heading “**Solicitation**”.

Covered Bonds	₱7 Billion Bonds due 2020 & 2023 <ul style="list-style-type: none"><li>• 4.8875% p.a. 7-year Bonds due 2020</li><li>• 5.2792% p.a. 10-year Bonds due 2023</li></ul>
Registered Bondholders	All persons and entities that are listed as Bondholders in the Register of Bondholders maintained by the Registrar.

All such Registered Bondholders are entitled to submit the Consent Forms, however only Registered Bondholders who are Registered Bondholders as of Expiration Date and have completed and validly executed and delivered a Consent Form on or before the Expiration Date are entitled to receive the Consent Fee, provided that Requisite Consents and Other Required Consents are received and other conditions for payment of the Consent Fee are fulfilled.

Purpose of Consent Solicitation	The purpose of the Consent Solicitation is to obtain the consent, to the Proposed Amendments, of Registered Bondholders who hold, represent or account for at least a majority of the aggregate outstanding principal amount of the Bonds.
Requisite Consents	Receipt by the Solicitation Agent, at or prior to the Expiration Date of Consent Forms representing at least a majority of the aggregate principal amount of all of the outstanding Bonds.
Other Required Consents	Receipt by the Solicitation Agent, at or prior to the Expiration Date of consent forms representing at least a majority of the aggregate principal amount of all of the Company’s outstanding ₱5.5 Billion bonds due 2019

(“2019 Bonds”) in accordance with the terms of the 2019 Bonds Consent Solicitation Statement.

Proposed  
Amendments

The Proposed Amendments seek to amend certain provisions of the Trust Indenture dated 5 July 2013, as amended by the Supplement Trust Indenture, dated 22 August 2016 between the Company and the Trustee, by amending (a) the maximum consolidated Debt-to-Equity ratio to 3.0:1; and (b) the negative covenant on the sale of the Company’s assets to allow flexibility in the way that the Company manages its assets, by permitting the sale, transfer or other disposal of assets for as long as such will not render Globe incapable of conducting its business.

The Proposed Amendments will neither alter the interest rate nor maturity dates of the Bonds, nor the Company’s obligation to make principal and interest payments on the Bonds as they fall due.

Form of Consent

Each Registered Bondholder that consents to the Proposed Amendments must deliver to the Solicitation Agent its Consent Form properly completed and validly executed in the form enclosed herewith as Annex A, on or before the Expiration Date.

The Registered Bondholder is solely responsible for the completeness and accuracy of the information provided by such Registered Bondholder in the Consent Form and none of the Company, the Solicitation Agent, the Trustee, the Advisor or any of the Associates is responsible for notifying the Registered Bondholder of any error, defect, or deficiency in the submitted Consent Form.

Effect on Non-  
Consenting  
Bondholders

If the Requisite Consents and Other Required Consents are obtained on or before the Expiration Date, the Company and the Trustee will execute the Second Supplement Trust Indentures in relation to the Proposed Amendments.

After payment of the Consent Fee, the Second Supplement Trust Indenture will become effective, and all Bondholders and all future holders and owners of the Bonds, irrespective of whether or not such Bondholders or future holders and owners have consented to the Proposed Amendments, will be bound thereby.

Irrevocability of  
Consents

Consent Forms are irrevocable once delivered to the Solicitation Agent.

Consent Fee paid to  
Registered  
Bondholders

Three (3) Business Days after the execution of the Second Supplement Trust Indentures, the Company shall pay each Registered Bondholder as of Expiration Date from whom the Solicitation Agent has received

completed and validly executed and delivered Consent Form on or before the Expiration Date, and which Consent Form has been duly validated by the Solicitation Agent, an amount equal to ₱ 1.25 for each ₱ 1,000.00 on the principal amount of the Bonds in respect of which a Consent Form is given, provided that: (i) such Registered Bondholder is a Registered Bondholder as of Expiration Date; (ii) the Solicitation Agent receives the Requisite Consents on or before the Expiration Date; (iii) the Solicitation Agent receives the Other Required Consents on or before the Expiration Date; (iv) the Company receives a certification from the Trustee that the Requisite Consents and Other Required Consents to the Proposed Amendments to the Trust Indenture and the 2019 Trust Indenture have been obtained for the Bonds and the 2019 Bonds, respectively, on or before the Expiration Date under the terms and conditions of each of the Consent Solicitation Statement and the 2019 Bonds Consent Solicitation Statement; and (v) the Company and the Trustee execute and deliver the Second Supplement Trust Indentures.

A Registered Bondholder shall not be entitled to receive the Consent Fee if (i) the Consent Form of such Registered Bondholder is received by the Solicitation Agent after the Expiration Date, (ii) such Registered Bondholder is not a Registered Bondholder as of Expiration Date, although such Registered Bondholder's Consent Form is received on or before the Expiration Date (iii) the Other Required Consents are not received at or prior to Expiration Date, or (iv) any of the other conditions set forth in this Consent Solicitation Statement have not been satisfied, even if such Consent Form has been properly completed and validly executed by such Registered Bondholder.

Expiration Date **This Consent Solicitation will expire at 12:00 p.m., Philippine Standard Time, on 19 October 2018, or such date that the Requisite Consents and Other Required Consents are obtained, whichever is earlier.** This Expiration Date may be adjusted by the Company to a later or earlier time and date in its sole discretion.

Assistance and Information Any questions regarding the terms of the Consent Solicitation may be directed to the Advisor or the Associates, at their respective addresses, telephone numbers, or email addresses set out in this Consent Solicitation Statement. Bondholders whose Bonds are held in the name of a broker, dealer, commercial bank, entity duly authorized to perform trust functions, or other nominee institution may also contact such nominee institution for assistance concerning this Consent Solicitation.

Trustee and Solicitation Agent BPI Asset Management and Trust Corporation

Advisor	BPI Capital Corporation
Associates	BDO Capital & Investment Corporation China Bank Capital Corporation First Metro Investment Corporation The Hongkong and Shanghai Banking Corporation Limited ING Bank, N.V., Manila Branch Land Bank of the Philippines RCBC Capital Corporation SB Capital Investment Corporation
Registrar	Philippine Depository & Trust Corp.

## THE COMPANY

Globe Telecom, Inc. is a major provider of telecommunications services in the Philippines, supported by over 7,600 employees and over 1.2 million AutoloadMax (“AMAX”) retailers, distributors, and business partners nationwide. The Company operates one of the largest and most technologically-advanced mobile, fixed line and broadband networks in the country, providing reliable, superior communications services to individual customers, small and medium-sized businesses, and corporate and enterprise clients.

As of 30 June 2018, Globe has about 65.1 million mobile subscribers (including fully mobile broadband), over 1.5 million home broadband customers, and close to 1.5 million landline subscribers.

Globe is one of the largest and most profitable companies in the country, and has been consistently recognized both locally and internationally for its corporate governance practices. The Company (as Globe Mackay Cable and Radio Corporation) listed its common shares on 11 August 1975, becoming the first telecommunications company in the Philippines to go public. It is listed on the Philippine Stock Exchange (“PSE”) under the ticker symbol GLO and had a market capitalization of USD 5.25<sup>1</sup> billion as of 31 August 2018.

The Company's principal shareholders are Ayala Corporation and Singapore Telecom, both industry leaders in their respective countries. Aside from providing financial support, this partnership has created various synergies and has enabled the sharing of best practices in the areas of purchasing, technical operations, and marketing, among others.

The Company's principal office address is at The Globe Tower, 32<sup>nd</sup> Street corner 7<sup>th</sup> Avenue, Bonifacio Global City, Taguig City, with telephone number (632) 797-2000. The Company's website address is [www.globe.com.ph](http://www.globe.com.ph)

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<sup>1</sup> Source: Bloomberg

## **RISK FACTORS**

For additional considerations with respect to the Solicitation, please refer to the discussion under “Risk Factors” in our Annual Report on SEC Form 17-A for the year ended 31 December 2017, which has been filed with the SEC and is incorporated by reference herein.



## **THE BONDS**

The Bonds were issued on 17 July 2013 in the aggregate amount of Seven Billion Pesos (₱7,000,000,000.00), comprised of Seven (7) Year 4.8875% p.a. Fixed Rate Bonds due in 2020, maturing on 17 July 2020 and Ten (10) Year 5.2792% p.a. Fixed Rate Bonds, maturing on 17 July 2023.

The terms and conditions of the Bonds are set out in the Trust Indenture and the Prospectus as of 5 July 2013 (the “Prospectus”) distributed during the offering of the Bonds. The Supplement Trust Indenture dated 22 August 2016 (the “Supplement Trust Indenture”), was executed between the Company and Trustee.

Copies of such documents are available for inspection during normal business hours at the offices of the Trustee. Requests for copies of the Trust Indenture (including the Supplement Trust Indenture) may be directed to the Trustee at its address, telephone number or email address set out in this Consent Solicitation Statement. The Prospectus may also be downloaded from the Company’s website at [www.globe.com.ph](http://www.globe.com.ph) under the Investor Relations section.

(<http://investor-relations.globe.com.ph>)

## PURPOSE OF THE SOLICITATION

The Proposed Amendments seek to provide the Company operational flexibility in a competitive environment. With the anticipated growth in data traffic and the need for sustained data-related investments, amending the consolidated Debt-to-Equity ratio from 2.5:1 to 3.0:1 is intended to provide the Company with further flexibility to increase capital expenditures, sustain its revenue momentum and strengthen its market leadership. The Proposed Amendments are also intended to provide Globe with flexibility to manage capital assets in order to take advantage of opportunities arising from developments in the telecommunications industry and to respond to regulatory initiatives of the Philippine government. These initiatives may include the sharing of tower infrastructure in one or more forms and amending the negative covenants to permit the sale, transfer or other disposal of Globe's assets for as long as such sale, transfer or disposal would not render Globe incapable of conducting its business, would provide Globe with further flexibility to address asset management requirements or opportunities.

### Background on the Proposed Amendments

As the leader in mobile and the Filipinos' preferred brand for data, Globe continues to launch products and partnerships that cater to its subscriber preferences. This is evident in the growth of mobile data revenues (registered at P25.6 billion as of the first half of 2018, up 26% year-on-year) given the Filipinos' penchant for social media, the rise of online gaming and the proliferation of video streaming applications. Mobile data traffic in the first half of 2018 amounted to 390 petabytes (PB), up 39% against the 280 PB in the first six months of 2017 and surpassing the full-year traffic in 2016 of 361 PB. Moreover, Globe's home broadband revenues increased by 12% year-on-year, driven by a 22% growth in broadband subscribers.

As mobile data traffic is anticipated to rise and utilize existing network capacity, it is imperative for Globe to continuously invest in its 4G<sup>2</sup> network, with commitments to deploy LTE services nationwide by the end of 2018. To complement mobile 4G investments, Globe likewise launched its 5G deployment, with Huawei as its technology partner, for home broadband service by the second quarter 2019. These initiatives, together with the network roll-outs already in place, would result to cash capital expenditures for 2018 reaching USD 950 million, a USD 100 million increase from the original guidance of USD 850 million for the year.

The Company is evaluating options to divest its passive telecommunications infrastructure. Such initiative could help speed up the building and deployment of cellular towers in the country to increase site density in the country and to support the Philippine government's thrust of improving internet services in the country. Globe recently received the approval of the Securities and Exchange Commission ("SEC") to incorporate GTowers, Inc., an asset holding company that would operationalize the initiative, should Globe pursue any sale or transfer of assets.

As a globally accepted model for telecommunications operators to optimize assets and capital, capacity of passive telecommunications infrastructure that are sold and transferred to tower

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<sup>2</sup> The fourth generation of data technology for cellular networks, succeeding 3G, which includes HSPA+, WIMAX and LTE.

companies are commonly leased back to the operator through long-term arrangements, allowing the operator continued use and access of the said assets. In any event, Globe would not enter into any transaction that would render Globe incapable of conducting its business.

Globe has not made any determination as to whether it will sell, transfer or otherwise dispose of, all or substantially all of its assets, including its tower infrastructure. Such decision will depend on various factors, including regulatory action, technological developments, and business, economic and political conditions that may be beyond Globe's control. Nothing in this consent solicitation should be taken as an assurance that Globe's strategy has either been fixed or will not change.

## **Description of the Proposed Amendments**

The Trust Indenture and terms and conditions of the Bonds set out in the Trust Indenture provide that, so long as the Bonds remain outstanding, the Company shall not allow its consolidated Debt to Equity ratio to exceed 2.5:1. The Trust Indenture and the terms and conditions of the Bonds also include a negative pledge that provides that Globe shall not, directly or indirectly, sell, transfer, assign, or otherwise dispose of, or mortgage, pledge, assign by way of Security Interest or otherwise incur or suffer to exist any encumbrance or lien on all or substantially all of its properties or assets without the prior consent of the Majority Bondholders, except for certain Permitted Security Interests.

The Company seeks to amend Section 4.1(q) of the Trust Indenture and Section 8 of the terms and conditions of the Bonds to allow it to maintain a higher consolidated Debt to Equity ratio of 3.0:1, and to amend Section 4.1(r) of the Trust Indenture and Section 9 to align the language with the Company's recent loan covenants that would allow the sale, transfer or other disposition of all or substantially all of its properties or assets without the consent of the Majority Bondholders, provided that such sale, transfer or other disposition will not render the Company incapable of conducting its business. The carve-out for Permitted Security Interests in Section 9 would remain unaffected by the Proposed Amendments. With the Proposed Amendments, Section 4.1(q) and Section 4.1(r) of the Trust Indenture shall read:

### 4.1 Covenants

The Issuer hereby covenants and agrees that, for as long as any obligations under the Bonds remain outstanding:

XXX

(q) The Issuer shall not allow its consolidated Debt to Equity ratio to exceed **3.0:1**.

(r) The Issuer shall not, **without the prior consent of the Majority Bondholders**, directly or indirectly: (i) sell, transfer, assign, or otherwise dispose of, **all or substantially all of its properties or assets if such sale, transfer,**

**assignment, or disposition will render it incapable of conducting its business;** or (ii) mortgage, pledge, assign by way of Security Interest, or otherwise incur or suffer to exist any encumbrance or lien on all or substantially all of its properties or assets except **if such mortgage, pledge or assignment by way of Security Interest or lien is a Permitted Security Interest.**

XXX

Consequently, Section 8 and Section 9 of the terms and conditions of the Bonds shall read:

#### 8. Financial Ratios

The Issuer shall not allow its consolidated Debt to Equity ratio to exceed **3.0:1**. For the purpose of computing this financial ratio, Debt shall mean the aggregate (as of the relevant date for calculation) of Notes Payable, Current Portion of Long-Term Debt, Long-Term Debt and Net Derivative Liability based on the Company's consolidated financial statements. Equity shall mean the aggregate of the Issuer's capital stock, treasury stock, additional paid-in capital, other comprehensive income and other reserves in accordance with Philippine Accounting Standards (PAS) and Philippine Financial Reporting Standards (PFRS) based on the Company's consolidated financial statements.

#### 9. Negative Pledge

The Issuer shall not, **without the prior consent of the Majority Bondholders**, directly or indirectly: (a) sell, transfer, assign, or otherwise dispose of, **all or substantially all of its properties or assets if such sale, transfer, assignment, or disposition will render it incapable of conducting its business;** or (b) mortgage, pledge, assign by way of Security Interest or otherwise incur or suffer to exist any encumbrance or lien on all or substantially all of its properties or assets except for the following Permitted Security Interests:

XXX

## THE SOLICITATION

### General

The Proposed Amendments shall not become operative until after the satisfaction or waiver by Globe of the conditions to the Consent Solicitation.

We reserve the right to amend the terms and conditions of the Consent Solicitation at any time prior to the Expiration Date for any reason, including, but not limited to, extending and/or terminating the Consent Solicitation when Requisite Consents and Other Required Consents have been obtained.

The Proposed Amendments will neither alter the interest rate nor maturity dates of the Bonds, nor the Company's obligation to make principal and interest payments on the Bonds as they fall due.

If the Requisite Consents and Other Required Consents are received and the Proposed Amendments become operative, the Second Supplement Trust Indentures and the amendments to the Trust Indenture effected thereby shall be binding on all Bondholders, including Non-Consenting Bondholders and their transferees. All other provisions of the Trust Indenture that are not amended by the Second Supplement Trust Indenture relating to the Trust Indenture shall remain in full force and effect. Regardless of the outcome of the Consent Solicitation, the Bonds shall continue to be outstanding and shall continue to accrue interest as provided in the Bonds and the Trust Indenture.

The delivery of a Consent Form shall not affect a Registered Bondholder's right to sell or transfer any Bonds, and a sale or transfer of any Bonds after the date hereof shall not have the effect of revoking any Consent Form properly given by the Registered Bondholder. Therefore, each properly executed and delivered Consent Form shall be counted notwithstanding any sale or transfer of any Bonds to which such Consent Form relates. However, to be entitled to the Consent Fee, if payable as provided below, such Registered Bondholder must be a Registered Bondholder as of Expiration Date. Registered Bondholders who become such after the date hereof may obtain this Consent Solicitation Statement and Consent Form from the Solicitation Agent. Failure to deliver a Consent Form shall have the same effect as if a Registered Bondholder had voted "No" to the Proposed Amendments.

This Consent Solicitation Statement and the Consent Form are being sent to all Registered Bondholders as we are reasonably able to identify.

### Consent Fees

Three (3) Business Days after the execution of the Second Supplement Trust Indentures, the Company shall pay each Registered Bondholder as of Expiration Date from whom the Solicitation Agent has received a completed and validly executed and delivered Consent Form on or before the Expiration Date, and which Consent Form has been duly validated by the Solicitation Agent, an

amount equal to ₱ 1.25 for each ₱ 1,000.00 on the principal amount of the Bonds in respect of which a Consent Form is given, provided that the following conditions are fulfilled: (i) such Registered Bondholder is a Registered Bondholder as of Expiration Date; (ii) the Solicitation Agent receives the Requisite Consents on or before the Expiration Date; (iii) the Solicitation Agent receives the Other Required Consents on or before the Expiration Date; (iv) the Company receives a certification from the Trustee that the Requisite Consents and Other Required Consents to the Proposed Amendments to the Trust Indenture and the 2019 Trust Indenture have been obtained for the Bonds and the 2019 Bonds, respectively, on or before the Expiration Date under the terms and conditions of each of the Consent Solicitation Statement and the 2019 Bonds Consent Solicitation Statement; and (v) the Company and the Trustee execute and deliver the Second Supplement Trust Indentures. We reserve the right to establish, from time to time, any new date as such Expiration Date with respect to the Bonds and, thereupon, any such new date will be deemed to be the Expiration Date for purposes of the Consent Solicitation.

A Registered Bondholder shall not be entitled to receive the Consent Fee if (i) the Consent Form of such Registered Bondholder is received by the Solicitation Agent after the Expiration Date, (ii) such Registered Bondholder is not a Registered Bondholder as of Expiration Date, although such Registered Bondholder's Consent Form is received on or before the Expiration Date, (iii) the Other Required Consents are not received at or prior to Expiration Date, or (iv) any of the other conditions set forth in this Consent Solicitation Statement have not been satisfied, even if such Consent Form has been properly completed and validly executed by such Registered Bondholder.

Assuming satisfaction of all the above conditions, on the Consent Fee Payment Date, or as promptly as practicable thereafter, the Company shall pay the Consent Fee to each Registered Bondholder as of Expiration Date from which the Company has received and accepted a Consent Form, on or before the Expiration Date, but not thereafter.

The right to receive the Consent Fee is not transferable with any Bond. The Company shall only make payments of the Consent Fee to Registered Bondholders as of Expiration Date who have properly granted Consent Forms that are in effect at the Expiration Date pursuant to the terms hereof. No other holder of any Bonds shall be entitled to receive the Consent Fee.

Interest shall not accrue on or be payable with respect to the Consent Fee.

### **How to Consent**

Registered Bondholders who wish to consent to the Proposed Amendments must deliver their properly completed Consent Form signed by or on behalf of such Registered Bondholder by mail, hand delivery, overnight courier, or electronic transmission with an original delivered subsequently (provided that the original copy of the Consent Form must be received by the Solicitation Agent on or before Expiration Date) in accordance with the instructions contained therein to the Solicitation Agent or any Associate at its address set out in this Consent Solicitation Statement for receipt prior to the Expiration Date, provided that Consent Forms shall be deemed delivered only when actually received by the Solicitation Agent. Consent Forms must be received by an Associate before 12:00 p.m., Philippine Standard Time on the Expiration Date, otherwise,

such Consent Form shall be considered received on the next Business Day, provided that if the Consent Form is received by an Associate after 12:00 p.m, Philippine Standard Time on Expiration Date, such Consent Form shall not be considered received. However, the Company reserves the right to consider and accept any Consent Form received by it, the Solicitation Agent, Advisor, or the Associates by any other reasonable means or in any form that reasonably evidences the giving of a Consent Form. The Company shall have the right to determine whether any purported Consent Form satisfies the requirements of the Consent Solicitation and the Trust Indenture, and any such determination shall be final and binding on the Registered Bondholder who delivered such Consent Form or purported Consent Form. Consent Forms must be received by the Solicitation Agent prior to the Expiration Date in order to qualify for payment of the Consent Fees. The method of delivery of a Consent Form and all other required documents to the Solicitation Agent and/or the Associates is at the risk of the Registered Bondholder, and the delivery shall be deemed made only when actually received by the Solicitation Agent. In all cases, sufficient time should be allowed to assure timely delivery.

Consent Forms shall be accepted from Registered Bondholders and any other person who has obtained a proxy in a form reasonably acceptable to the Company that authorizes such other person (or person claiming title by or through such other person) to vote any Bonds on behalf of such Registered Bondholder. Any beneficial owner whose Bonds are held through a broker, dealer, commercial bank, trust company, or other nominee and who wishes to consent should contact its nominee promptly and instruct such nominee to Consent Form on its behalf.

Each Consent Form that is properly completed, signed, delivered to, and received by the Solicitation Agent prior to the Expiration Date (and accepted by the Company as such), shall be given effect in accordance with the specifications thereof. The Proposed Amendments constitute a single proposal and a consenting Registered Bondholder may only consent to the Proposed Amendments in their entirety and may not consent individually or selectively.

All questions as to the validity, form, eligibility (including time of receipt), and acceptance and revocation of a Consent Form shall be resolved by the Company, in its sole discretion, which resolution shall be final and binding. The Company reserves the right to reject any and all Consent Forms not validly given or any Consent Forms, the acceptance of which could, in its opinion or the opinion of its counsel, be unlawful. The Company also reserves the right to waive any defects or irregularities in the delivery of a Consent Forms or modify the conditions to the Consent Solicitation (subject to any requirement to extend the Expiration Date). Unless waived, any defects or irregularities in connection with deliveries of Consent Forms must be cured within such time as we shall determine. None of the Company, the Solicitation Agent, the Trustee, the Advisor or any of the Associates, or any other person shall be under any duty to give notification of defects, irregularities or waivers with respect to deliveries of Consent Forms, nor shall we or any of them incur any liability for failure to give such notification.

If the Bonds to which a Consent Form relates are held by two or more joint Registered Bondholders, then in order to validly deliver a Consent Form: each joint Registered Bondholder must sign the Consent Form if their ownership of the Bonds are recorded by the Registrar in an “and” capacity; or any one of the joint Registered Bondholders, may sign the Consent Form if their

ownership of the Bonds are recorded by the Registrar in an “or” or “and/or” capacity. The determination of the Registrar of the sufficiency of any signatures on Consent Forms for validity shall be conclusive on Globe and as regards the Consent Solicitation. If a signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other Registered Bondholder acting in a fiduciary or representative capacity, such person should so indicate when signing and must submit proper evidence satisfactory to us of such person’s authority to act on behalf of the Registered Bondholder. If Bonds are held in different names, a separate Consent Form must be executed covering each name.

If a Consent Form relates to fewer than all Bonds held of record as of the Expiration Date by the Registered Bondholder providing such Consent Form, such Registered Bondholder must indicate on the Consent Form the aggregate amount of such Bonds to which the Consent Form relates. Otherwise, the Consent Form shall be deemed to relate to all Bonds held by such Registered Bondholder. The Consent Fee shall be calculated and paid only in respect of such portion of the Bonds in respect of which a Consent has been delivered.

The Consent Forms shall expire if the Requisite Consents and the Other Required Consents have not been obtained on or before the Expiration Date.

This Consent Solicitation will expire at **12:00 p.m.**, Philippine Standard Time, on **19 October 2018**, or such date that the Requisite Consents and Other Required Consents are obtained, whichever is earlier, unless extended or sooner terminated by the Company in its sole discretion. By delivering a Consent pursuant to this Consent Solicitation Statement a Registered Bondholder shall be deemed to acknowledge, represent, warrant, and undertake to the Company and the Trustee, as of the date such Consent is delivered and the Execution Date, that:

- (a) he/she/it has received, reviewed and understood this Consent Solicitation Statement;
- (b) he/she/it is the Registered Bondholder as of Expiration Date;
- (c) he/she/it has the full power and authority to issue and deliver the Consent Form;
- (d) he/she/it has obtained any and all approvals or consents as may be necessary to execute the Consent Form and deliver the same to the Trustee; and
- (e) he/she/it understands, acknowledges and agrees to all of the terms and conditions set out in this Consent Solicitation Statement and the Consent Form.

### **Requisite Consents**

To become operative, the Proposed Amendments must be approved by the Registered Bondholders representing at least a majority of the aggregate principal amount of the outstanding Bonds. Presently, ₱700,000,000.00 aggregate principal amount of the Bonds are outstanding.



Accordingly, Consent Forms from Registered Bondholders of more than ₱3,500,000,000.00 aggregate principal amount of the Bonds must be received by the Solicitation Agent, on or prior to the Expiration Date in order to approve the Proposed Amendments. This Consent Solicitation Statement, the Consent Form, and other related documents are being sent to or are being made available for use of all persons who are Registered Bondholders.

### **Conditions to the Solicitation**

Notwithstanding any other provision of this Consent Solicitation Statement, the effectiveness of the Proposed Amendments are conditioned upon the following:

- the receipt of all the Requisite Consents and Other Required Consents;
- the execution of the Second Supplement Trust Indentures;
- the receipt by the Company of a certification from the Trustee that the Requisite Consents and Other Required Consents to the Proposed Amendments to the Trust Indenture and the 2019 Trust Indenture have been obtained for the Bonds and the 2019 Bonds, respectively, on or before the Expiration Date under the terms and conditions of each of the Consent Solicitation Statement and the 2019 Bonds Consent Solicitation Statement;
- the execution and delivery by the Company and the Trustee of the Second Supplement Trust Indentures; and
- satisfaction or waiver of these conditions.

The Company may, in its reasonable discretion, waive any or all of the conditions described below. The Company may not, however, waive the condition with respect to the receipt of the Requisite Consents and the Other Required Consents or the execution of the Second Supplement Trust Indentures.

The conditions shall be deemed to have been satisfied on the Expiration Date, unless, on or after the date hereof and prior to the Expiration Date, there shall have been instituted or pending any action, suit, or other proceeding or investigation by any governmental authority or agency or any other person that:

- questions the legality, validity, binding effect, enforceability, or effectiveness of the Proposed Amendments or the entering into of the Second Supplement Trust Indenture relating to the Trust Indenture;
- seeks to have the Bonds paid prior to maturity or which questions the accuracy or completeness of any of the statements made in or incorporated by reference into this Consent Solicitation Statement or in any of the other documents referred to herein; or
- if adversely determined, would make unlawful or invalid, would enjoin the implementation of, or would impose damages as a result of, any of the foregoing.

Furthermore, subject to applicable law, the Company may terminate the Consent Solicitation at any time prior to the Execution Date, in which case any Consent Forms received shall be voided and no Consent Fees shall be paid.

### **Expiration Date**

This Consent Solicitation will expire at 12:00 p.m., Philippine Standard Time, on 19 October 2018, or on such date that the Requisite Consents and Other Required Consents are obtained, whichever is earlier, unless extended or sooner terminated by the Company in its sole discretion.

Each day during the Consent Period, the Company shall determine whether the Requisite Consents and Other Required Consents have been obtained based on Consent Forms as these are received and validated. The Company shall make a public announcement of the Expiration Date and its acceptance of validly tendered Consent Forms at or prior to 9:00 a.m., Philippine Standard Time, on the next Business Day after the Expiration Date. However, if the Requisite Consents and Other Required Consents are obtained before 12:00 p.m., Philippine Standard Time, on 19 October 2018, the Company shall announce such fact as soon as reasonably practicable through the disclosures on the PSE and Philippine Dealing & Exchange Corp. (“PDEX”). After such announcement is made, the Company shall no longer accept Consent Forms. The Company may extend the Consent Solicitation from time to time if any condition to the Consent Solicitation has not been met. In order to extend the Expiration Date, the Company shall notify the Solicitation Agent of any extension by oral or written notice and shall make a public announcement thereof at or prior to 9:00 a.m., Philippine Standard Time, on the next Business Day after the previously scheduled Expiration Date. Such announcements may state that the Company is extending the Consent Solicitation for a specified period of time. Failure of any Registered Bondholder or beneficial owner of Bonds to be so notified will not affect the extension of the Consent Solicitation.

Notwithstanding anything to the contrary set forth in this Consent Solicitation Statement, the Company reserves the right at any time on or prior to 9:00 a.m., Philippine Standard Time, on the Business Day following the Expiration Date to (i) extend the Consent Solicitation from time to time if any condition to the Consent Solicitation has not been met or waived, (ii) amend the terms of the Consent Solicitation, (iii) modify the form or amount of the consideration to be paid pursuant to the Consent Solicitation, or (iv) waive any of the conditions to the Consent Solicitation that may be waived, subject to applicable law. Furthermore, subject to applicable law, the Company may terminate the Consent Solicitation at any time prior to the Execution Date, in which case any Consent Forms received shall be voided and no Consent Fees shall be paid. If the Company takes any of these actions, it shall make a public announcement thereof.

If the Consent Solicitation is amended in any material manner, or we waive or modify any material conditions to the Consent Solicitation, the Company shall promptly disclose such amendment, waiver, or modification in a public announcement, and the Company may, if determined by it to be appropriate, extend the Consent Solicitation for no less than one day, such period to be set at its discretion, subject to applicable law.

Without limiting the manner in which the Company may choose to make a public announcement of any extension, amendment, or termination of the Consent Solicitation, the Company shall have no obligation to publish, advertise, or otherwise communicate any such public announcement, other than by making a timely press release and complying with any applicable notice provisions of the Trust Indenture.

### **Assistance and Information**

Any questions regarding the terms of the Consent Solicitation may be directed to the Advisor or the Associates at their respective addresses, telephone numbers, or email addresses set out in this Consent Solicitation Statement. Registered Bondholders whose Bonds are held in the name of a broker, dealer, commercial bank, entity duly authorized to perform trust functions, or other nominee institution may also contact such nominee institution for assistance concerning this Consent Solicitation.

None of the Company, the Solicitation Agent, the Trustee, the Advisor, or any of the Associates makes any recommendation, representation, or warranty in connection with the Consent Solicitation nor any solicitation of the Consent Forms except as set forth herein and no recommendation, representations, or warranties made by the Solicitation Agent, the Trustee, the Advisor, or any Associates shall be binding upon the Company.

None of the Solicitation Agent, the Trustee, the Advisor, or any of the Associates assumes any responsibility for the accuracy or completeness of the information concerning the Company, its affiliates, or the Bonds contained in this Consent Solicitation Statement and the Consent Form or for any failure by the Company to disclose events that may have occurred and may affect the significance or accuracy of that information.

### **Fees and Expenses**

The Company shall bear the costs of the Consent Solicitation, including the fees and expenses of the Solicitation Agent and the Solicitation Agent's counsel. The Company shall pay the Trustee reasonable and customary compensation for its services in connection with the Consent Solicitation, plus reimbursement for expenses.

Brokers, dealers, commercial banks, trust companies and other nominees shall be reimbursed by the Solicitation Agent, by application of funds provided by the Company, for customary mailing and handling expenses incurred by them in forwarding material to their customers. The Company shall pay all other fees and expenses attributable to the Consent Solicitation, other than expenses incurred by Registered Bondholders or beneficial owners of Bonds.

## **TAX CONSIDERATIONS**

*Registered Bondholders are urged to carefully evaluate all of the information in this Consent Solicitation Statement and to consult their own investment and tax advisors in making their decision as to whether to execute and deliver a Consent Form pursuant to this Consent Solicitation Statement.*

### **Tax on the Consent Payments**

A Registered Bondholder receiving the Consent Fee may be subject to Philippine income tax and withholding tax on the payments received, as the Consent Fee is not part of a consenting Bondholders' interest income from the Bonds. Bondholders should consult their tax advisors as to tax consequences arising from payment by Globe of the Consent Fee.

Under Republic Act No. 10963, the Philippine Tax Reform for Acceleration and Inclusion ("TRAIN") law, the Consent Fee will, as a rule, form part of the gross income of the Registered Bondholder delivering the Consent Form, for purposes of computing the relevant taxable income subject to the following applicable regular income tax rates: (1) variable rates based on net annual taxable income, the highest of which is 35% of net taxable income of individuals that are Philippine citizens, Philippine residents or aliens engaged in trade or business in the Philippines, (2) 25% final withholding tax for non-resident alien individuals not engaged in trade or business within the Philippines, (3) 30% of the net taxable income of domestic corporations and resident foreign corporations, and (4) 30% final withholding tax for non-resident foreign corporations

### **Documentary Stamp Tax**

No documentary stamp tax is imposed in connection with the execution and delivery of the Consent Form.

### **Withholding Tax**

In compliance with Bureau of Internal Revenue Regulations No. 02-98, as amended by Revenue Regulations No. 06-09, the Company will withhold 2% creditable withholding tax on the Consent Fee paid to the Registered Bondholders, who are either Philippine citizens, Philippine residents, aliens engaged in trade or business in the Philippines, domestic corporations and resident foreign corporations. However, the Company shall withhold 25% final withholding tax from non-resident alien individuals not engaged in trade or business within the Philippines and 30% final withholding tax from non-resident foreign corporations.

## WHERE YOU CAN FIND MORE INFORMATION

We are subject to the reporting requirements of the SEC and The Philippine Stock Exchange (“PSE”), and, in accordance therewith, file reports and other information with the SEC and PSE. Such reports and other information filed with the SEC by us may be inspected and copied at the public reference facilities maintained by the SEC at Secretariat Building, PICC Complex, Roxas Boulevard, Metro Manila Philippines, while those filed with the PSE by us may be downloaded from [www.edge.pse.com.ph](http://www.edge.pse.com.ph). Statements made in this Consent Solicitation Statement concerning the provisions of any contract, agreement, indenture or other document referred to herein are not necessarily complete. With respect to each such statement concerning a contract, agreement, indenture or other document filed with the SEC or PSE, reference is made to such filing for a more complete description of the matter involved, and each such statement is qualified in its entirety by such reference.

Requests for assistance or additional copies of this Consent Solicitation Statement and the Consent Form should be directed to the Solicitation Agent, the Trustee, the Advisor, or the Associates at the relevant address, telephone number or email address listed below. The Consent Solicitation Statement and Consent Form may also be downloaded from the Company’s website at [www.globe.com.ph](http://www.globe.com.ph). Questions concerning the terms of this Consent Solicitation may be directed to the Advisor or the Associates at the relevant address, telephone number or email address listed below.

*The Trustee for the Consent Solicitation is:*

**BPI Asset Management and Trust Corporation**

2<sup>nd</sup> Floor BPI Building, Ayala Avenue, corner Paseo de Roxas  
Makati City, 1226, Philippines

Attention: Natasha Natalie T. Ferrer / Raquel G. De Castro / Jericho J. Lagustan  
[nntferrer@bpi.com.ph](mailto:nntferrer@bpi.com.ph) / [rgdecastro@bpi.com.ph](mailto:rgdecastro@bpi.com.ph) / [jdlagustan@bpi.com.ph](mailto:jdlagustan@bpi.com.ph)  
(+632) 737 3158 / 737 3162 / 737 3138

*The Advisor for the Consent Solicitation is:*

**BPI Capital Corporation**

8<sup>th</sup> Floor BPI Building, 6768 Ayala Avenue, corner Paseo de Roxas  
Makati City, 1226, Philippines

Attention: Ralf Christian M. Palmones  
(+632) 790 8992  
[rcmpalmones@bpi.com.ph](mailto:rcmpalmones@bpi.com.ph)

*The Associates for the Consent Solicitation are:*

**BDO Capital & Investment Corporation**

20<sup>th</sup> Floor South Tower, BDO Corporate Center

7899 Makati Avenue, Makati City, 0726, Philippines  
Attention: Paula M. Tajanan  
(+632) 891 2049  
tajanan.paula@bdo.com.ph

**China Bank Capital Corporation**  
8745 Paseo de Roxas cor. Villar Street,  
Makati City, Philippines  
Attention: Francis Marco M. Catibog  
(+632) 230 6957  
fmmcatibog@chinabank.ph

**First Metro Investment Corporation**  
18<sup>th</sup> Floor, PSBank Center, 777 Paseo de Roxas  
Makati, 1227 Philippines  
Attention: Peter Anthony D. Bautista  
(+632) 858 7916  
peter.bautista@firstmetro.com.ph

**The Hongkong and Shanghai Banking Corporation Limited**  
HSBC Center, 3058 Fifth Avenue West  
Bonifacio Global City, Taguig City  
Attention: Marie Noelle Umali  
(+632) 581 7986  
marie.noelle.venturina.umali@hsbc.com.ph

**ING Bank, N.V., Manila Branch**  
21st Floor Ayala Tower One, Ayala Triangle  
Makati City, Philippines  
Attention: Rowena P. Bayoneta / Jessica Chico  
(+632) 479 8715 / 479 8704  
rowena.bayoneta@asia.ing.com / jessica.chico@asia.ing.com

**Land Bank of the Philippines**  
15<sup>th</sup> Floor Landbank Plaza, M.H. Del Pilar cor. Dr. J. Quintos Sts.  
Malate, Manila  
Attention: Jessa M. Ala  
(+632) 405 7732  
jala@mail.landbank.com

**RCBC Capital Corporation**  
21st Floor Tower 2, RCBC Plaza,  
6819 Ayala Ave, Makati, 1226 Philippines  
Attention: China P. Laguio  
(+632) 894 9000 loc. 2213

cplaguio@rbc.com

**SB Capital Investment Corporation**

18<sup>th</sup> Floor Security Bank Centre, 6776 Ayala Avenue

Makati City, 1226 Philippines

Attention: Marvin S. Matias / Bernadette D. Caacbay

(+632) 888 7353 / 888 7355

MMatias@securitybank.com.ph / BCaacbay@securitybank.com.ph

*The Registrar for the Consent Solicitation is:*

**Philippine Depository & Trust Corp.**

37<sup>th</sup> Floor Tower 1, The Enterprise Center,

6766 Ayala Avenue, Makati City

*The Advisor's Legal Counsel for the Consent Solicitation is:*

**Romulo Mabanta Buenaventura Sayoc & de los Angeles**

21<sup>st</sup> Floor Philamlife Tower, 8767 Paseo de Roxas,

Makati City, Philippines

## **INCORPORATION OF DOCUMENTS BY REFERENCE**

The following documents filed by us with the SEC and any future filings we make with the SEC until the Expiration Date, are incorporated herein by reference and shall be deemed to be a part of this Consent Solicitation Statement (other than any information in such reports that is deemed to have been furnished to, rather than filed with, the SEC in accordance with SEC rules):

- SEC Form 17-A (Annual Report, 31 December 2017)
- SEC Form 17-Q (Quarterly Report, 2Q 2018)

Any statement contained in a document incorporated or deemed to be incorporated by reference herein, or contained in this Consent Solicitation Statement, shall be deemed to be modified or superseded for purposes of this Consent Solicitation Statement to the extent that a statement contained herein or in any subsequently filed document or report that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified shall not be deemed to constitute a part of this Consent Solicitation Statement, except as so modified or superseded.

Such documents are available from the SEC, PSE, and through the Company's website at <http://investor-relations.globe.com.ph>. You may also obtain any document incorporated herein by reference by contacting us through Natasha Natalie T. Ferrer/ Raquel G. De Castro/ Jericho J. Lagustan at (+632) 737 3158/ 737 3162/ 737 3138 or [nntferrer@bpi.com.ph](mailto:nntferrer@bpi.com.ph)/[rgdecastro@bpi.com.ph](mailto:rgdecastro@bpi.com.ph)/[jdlagustan@bpi.com.ph](mailto:jdlagustan@bpi.com.ph), respectively. We will provide copies of the documents incorporated by reference, upon written or oral request.



## MISCELLANEOUS

This Consent Solicitation Statement shall be governed by and construed in accordance with Philippine law.

The Solicitation is not being made to, and the Consent Form will not be accepted from or on behalf of, Registered Bondholders in any jurisdiction in which the making of the Solicitation or the acceptance thereof would not be in compliance with the laws of such jurisdiction. However, we may in our discretion take such action as we may deem necessary to make the Solicitation in any such jurisdiction and to extend the Solicitation to Registered Bondholders in such jurisdiction, in compliance with the laws of such jurisdiction. In any jurisdiction in which the securities laws or blue sky laws require the Solicitation to be made by a licensed broker or dealer, the Solicitation will be deemed to be made on our behalf by the Solicitation Agent or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

## ANNEX A: CONSENT FORM

Consent Form for the ₱7 Billion Bonds due 2020 & 2023

**IMPORTANT: Please complete sections on Bond details and required signatures.**

To: BPI Asset Management and Trust Corporation  
as Trustee/Solicitation Agent  
18<sup>th</sup> Floor BPI Building, Ayala Avenue, corner Paseo de Roxas  
Makati City, 1226, Philippines

Attention: Martin Jerald P. Juco  
mjjjuco@bpi.com.ph  
(+632) 816 9823 / 845 5760

From: \_\_\_\_\_  
as Registered Bondholder

Date: \_\_\_\_\_

Dear Sir or Madam:

**GLOBE TELECOM, INC.**  
**Consent to the Proposed Amendments**  
**to the Trust Indenture dated 5 July 2013 as amended by the Supplement Trust Indenture**  
**dated 22 August 2016 (the “Trust Indenture”)**  
**Governing the ₱7 Billion Bonds due 2020 & 2023**

This is a Consent Form as contemplated by the Consent Solicitation Statement dated 17 September 2018 and issued by Globe Telecom, Inc. in connection with certain proposed amendments to the Trust Indenture. Unless otherwise specifically defined in this Consent Form, capitalized terms used herein have the same meanings given to them in the Consent Solicitation Statement.

The undersigned Registered Bondholder hereby gives his, her, or its consent to the Proposed Amendments, and agrees that (1) Section 4.1(q) and Section 4.1(r) of the Trust Indenture and (2) Section 8 and Section 9 of the terms and conditions of the Bonds, which as of the date of the Consent Solicitation Statement reads as follows:

*(1) Section 4.1(q) and Section 4.1(r) of the Trust Indenture:*

#### 4.1 Covenants

The Issuer hereby covenants and agrees that, for as long as any obligations under the Bonds remain outstanding:

XXX

(q) The Issuer shall not allow its consolidated Debt to Equity ratio to exceed 2.5:1.

(r) The Issuer shall not, directly or indirectly, sell, transfer, assign, or otherwise dispose of, or mortgage, pledge, assign by way of Security Interest, or otherwise incur or suffer to exist any encumbrance or lien on all or substantially all of its properties or assets without prior consent of the Majority Bondholders, except for Permitted Security Interest.

XXX

*(2) Section 8 and Section 9 of the terms and conditions of the Bonds*

#### 8. Financial Ratios

The Issuer shall not allow its consolidated Debt to Equity ratio to exceed 2.5:1. For the purpose of computing this financial ratio, Debt shall mean the aggregate (as of the relevant date for calculation) of Notes Payable, Current Portion of Long-Term Debt, Long-Term Debt and Net Derivative Liability based on the Company's consolidated financial statements. Equity shall mean the aggregate of the Issuer's capital stock, treasury stock, additional paid-in capital, other comprehensive income and other reserves in accordance with Philippine Accounting Standards (PAS) and Philippine Financial Reporting Standards (PFRS) based on the Company's consolidated financial statements.

#### 9. Negative Pledge

The Issuer shall not, directly or indirectly, sell, transfer, assign, or otherwise dispose of, or mortgage, pledge, assign by way of Security Interest or otherwise incur or suffer to exist any encumbrance or lien on all or substantially all of its properties or assets without the prior consent of the Majority Bondholders, except for the following permitted Security Interest:

XXX

shall, effective as of the Consent Fee Payment Date, be amended to read as follows:

*(1) Section 4.1(q) and Section 4.1(r) of the Trust Indenture:*

#### 4.1 Covenants

The Issuer hereby covenants and agrees that, for as long as any obligations under the Bonds remain outstanding:

XXX

(q) The Issuer shall not allow its consolidated Debt to Equity ratio to exceed **3.0:1**.

(r) The Issuer shall not, **without the prior consent of the Majority Bondholders**, directly or indirectly: (i) sell, transfer, assign, or otherwise dispose of, **all or substantially all of its properties or assets if such sale, transfer, assignment, or disposition will render it incapable of conducting its business;** or (ii) mortgage, pledge, assign by way of Security Interest, or otherwise incur or suffer to exist any encumbrance or lien on all or substantially all of its properties or assets **except if such mortgage, pledge or assignment by way of Security Interest or lien is a Permitted Security Interest.**

XXX

*(2) Section 8 and Section 9 of the terms and conditions of the Bonds:*

#### 8. Financial Ratios

The Issuer shall not allow its consolidated Debt to Equity ratio to exceed **3.0:1**. For the purpose of computing this financial ratio, Debt shall mean the aggregate (as of the relevant date for calculation) of Notes Payable, Current Portion of Long-Term Debt, Long-Term Debt and Net Derivative Liability based on the Company's consolidated financial statements. Equity shall mean the aggregate of the Issuer's capital stock, treasury stock, additional paid-in capital, other comprehensive income and other reserves in accordance with Philippine Accounting Standards (PAS) and Philippine Financial Reporting Standards (PFRS) based on the Company's consolidated financial statements.

XXX

#### 9. Negative Pledge

The Issuer shall not, **without the prior consent of the Majority Bondholders**, directly or indirectly: (a) sell, transfer, assign, or otherwise dispose of, **all or substantially all of its properties or assets if such sale, transfer, assignment, or disposition will render it incapable of conducting its business;** or (b) mortgage, pledge, assign by way of Security Interest or otherwise incur or suffer to exist any

encumbrance or lien on all or substantially all of its properties or assets except for the following Permitted Security Interests:

XXX

Accordingly, the undersigned Registered Bondholder authorizes the Company and the Trustee to implement the Proposed Amendments and enter into the Second Supplement Trust Indenture relating to the Trust Indenture.

In consideration of the undersigned Registered Bondholder giving the foregoing Consent Form, the undersigned Registered Bondholder hereby accepts the offer of the Company of a Consent Fee of ₱1.25 for each ₱1,000 of the principal amount of the Bonds covered by this Consent Form (subject to valid delivery to the Solicitation Agent of this Consent Form on or before the Expiration Date):

**(Details required to be indicated below)**

Registered Account Number	Principal Amount of the 4.8875% p.a. 7-year Bonds due 2020 Covered by this Consent

Registered Account Number	Principal Amount of the 5.2792% p.a. 10-year Bonds due 2023 Covered by this Consent

Further, the undersigned Registered Bondholder confirms that he, she, or it has read and understood the provisions of the Consent Solicitation Statement, and acknowledges that by his, her, or its execution and delivery of this Consent Form to the Solicitation Agent/Associate, he, she, or it unconditionally agrees to be bound by and adhere to all of the terms and conditions set out in the Consent Solicitation Statement, including, without limitation, the provision that the Company's undertaking to pay the Consent Fee is subject to the fulfillment of the conditions set out in the Consent Solicitation Statement, which are as follows: (1) the undersigned Registered Bondholder is a Registered Bondholder as of Expiration Date; (2) the Solicitation Agent's receipt of validly executed and delivered Consent Forms from Registered Bondholders representing at least a majority of the aggregate principal amount of the Bonds on or before the Expiration Date (the "Requisite Consents"); (3) receipt by the Solicitation Agent, at or prior to the Expiration Date of consent forms representing at least a majority of the aggregate principal amount of all of the Company's outstanding ₱5.5 Billion bonds due 2019 (the "2019 Bonds") in accordance with the terms of the 2019 Bonds Consent Solicitation Statement (the "Other Required Consents"); (4) the receipt by the Company of a certification from the Trustee that the Requisite Consents and Other Required Consents to the Proposed Amendments to the Trust Indenture and the 2019 Trust

Indenture have been obtained for the Bonds and the 2019 Bonds, respectively, on or before the Expiration Date under the terms and conditions of each of the Consent Solicitation Statement and the 2019 Consent Bonds Solicitation Statement; and (5) the execution and delivery by the Company and the Trustee of the Second Supplement Trust Indentures.

The undersigned Bondholder hereby makes the representations and warranties set out in the Consent Solicitation Statement (“*How to Consent*”).

This Consent Form shall be governed by and construed in accordance with Philippine law.

Sincerely,

**(Signature(s) of the Registered Bondholders to be affixed below)**

Signature Block for Registered Bondholders who are natural persons	<hr/> Name of Registered Bondholder  <hr/> Name of Registered Bondholder
Signature Block for Registered Bondholders who are juridical persons	<hr/> Name of Registered Bondholder  By:  <hr/> Name of Signatory Position  <hr/> Name of Signatory Position

**IMPORTANT NOTE TO REGISTERED BONDHOLDER:** In the event of a change in the authorized signatories of any Registered Bondholder, such Registered Bondholder must ensure that copies, certified by such Registered Bondholder’s corporate secretary, of the resolutions adopted by such Registered Bondholder’s board of directors or other appropriate body (or such other documents as the Registrar may reasonably require), together with the relevant specimen signatures of such signatories, are sent to the Solicitation Agent’s address together with this executed Consent Form.