COVER SHEET

GLOBE TELECOM, INC.

(Company's Full Name)

27 / F THE GLOBE TOWER
32ND STREET CORNER 7TH AVENUE
BONIFACIO GLOBAL CITY TAGUIG

(Business Address: No. Street City / Town / Province)

ROSEMARIE MANIEGO-EALA
Contact Person

7797-2000
Company Telephone Number

123
Fiscal Year

17C
FORM TYPE

0421
Annual Meeting

Secondary License Type, if Applicable

Dept. Requiring this Doc.

Total No. Of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

Remarks = pls. Use black ink for scanning purposes
1. 4 May 2020
   Date of Report (Date of earliest event reported)
2. 1177
   SEC Identification Number
3. 000-768-480-000
   BIR Tax Identification Number
4. GLOBE TELECOM, INC.
   Exact Name of registrant as specified in its charter
5. PHILIPPINES
   Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
   Industry Classification Code
7. 27/F, The Globe Tower, 32nd Street corner 7th Avenue, Bonifacio Global City, Taguig
   Address of principal office
   1634
   Postal code
8. (02) 7797-2000
   Registrant’s telephone number, including area code
9. 
   Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the SRC

<table>
<thead>
<tr>
<th>Title of Each Class</th>
<th>Number of Shares of Common Stock</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMMON SHARES</td>
<td>133,208,407</td>
</tr>
<tr>
<td>TOTAL DEBT (in Millions of Pesos)</td>
<td>144,739</td>
</tr>
</tbody>
</table>

Indicate the item numbers reported herein : Please refer to attached

Re: Briefing Presentation Materials

Pursuant to the requirements of the Securities Regulations Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GLOBE TELECOM, INC.
Registrant

Date : 4 May 2020

ROSEMARIE MANIEGO-EALA
Chief Finance Officer
# 1Q 2020 PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>1Q20 vs 1Q19</th>
<th>vs 4Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PHP Bn</td>
<td>36.9 ▲ 2%</td>
<td>▼ 4%</td>
</tr>
<tr>
<td></td>
<td>Data-driven revenue growth</td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PHP Bn</td>
<td>20.5 ▲ 3%</td>
<td>▲ 13%</td>
</tr>
<tr>
<td></td>
<td>EBITDA margin at 56%</td>
<td></td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PHP Bn</td>
<td>6.6 ▼ 2%</td>
<td>▲ 43%</td>
</tr>
<tr>
<td></td>
<td>Net Income and core net income declined by 2% and 3% respectively</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2Q 2020 Dividends</th>
<th>Php/ sh</th>
<th>RECORD DATE: May 18, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>24.83</td>
<td></td>
<td>PAYMENT DATE: June 3, 2020</td>
</tr>
</tbody>
</table>
## Data-driven performance

<table>
<thead>
<tr>
<th><strong>Php Bn</strong></th>
<th><strong>Revenues</strong></th>
<th><strong>YoY</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>26.9</td>
<td>Mobile Revenues</td>
<td>15%</td>
</tr>
<tr>
<td>9.7</td>
<td>Fixed Line and Home Broadband Revenues</td>
<td>2%</td>
</tr>
</tbody>
</table>

### Mobile Revenues
- **MOBILE VOICE**: 15% YoY
- **MOBILE SMS**: 28% YoY
- **MOBILE DATA**: 12% YoY

### Fixed Line and Home Broadband Revenues
- **FIXED LINE VOICE**: 2% YoY
- **HOME BROADBAND**: 11% YoY
- **CORPORATE DATA**: 4% YoY

### Mobile Subscribers
- **89.3M**: 7% YoY
- **5% QoQ**

### Home Broadband Subscribers
- **2.3M**: 32% YoY
- **12% QoQ**
Data now accounts for 75% of Service Revenues

50% Mobile Data | Php \( \text{Bn} \) 18.5 ▲ 12%

16% Home Broadband | Php \( \text{Bn} \) 5.8 ▲ 11%

9% Corporate Data | Php \( \text{Bn} \) 3.3 ▲ 4%

**MOBILE DATA TRAFFIC** (in PB)
- 1Q19: 370
- 4Q19: 499
- 1Q20: 522 ▲ 41% YoY ▲ 5% QoQ

**MOBILE DATA USERS** (in Mn)
- 1Q19: 37.1
- 4Q19: 39.6
- 1Q20: 36.9 ▼ 1% YoY ▼ 7% QoQ

**MOBILE DATA MONTHLY ATPU** (in GB)
- 1Q19: 3.5
- 4Q19: 4.5
- 1Q20: 4.8 ▲ 36% YoY ▲ 6% QoQ
How Globe is responding to COVID-19

1. Employees, Vendor Partners & Support Staff
   - Implemented full work-from-home (WFH) operations with critical skeletal force (CSF) beginning March 16.
   - Provided PPEs, hazard pay, food allowance, transportation, accommodation, insurance, and medical expense assistance to skeletal workforce.
   - Earmarked P270 million in financial support for vendor partners and retail stores support staff salaries as part of Ayala Group’s P2.4 billion aid package.

2. Network
   - Despite COVID-19, normal network operations continue.
   - Working with the government to provide continued network access at the LGU level.

3. Customers, Frontliners and the Public
   - Additional data for prepaid customers (GoSURF50 and HomeSURF199).
   - 60-day credit payment extension for postpaid customers.
   - Gave free GoWiFi internet access in major hospitals, select supermarkets in MM and key cities nationwide, and at NAIA Terminals 1-3.
   - Php 364 million worth of support from services, donations (monetary and in-kind, including PPEs and 1,500 mobile phones pre-loaded with sim cards with 45D Unli Call & Text, for police, military and hospital frontliners) and fundraising efforts.
How Globe is responding to COVID-19
New Partnerships, Collaborations, and Other Developments

Globe Invests in Cloud Business to Expand ICT Capabilities

Globe Appoints Martha Sazon as New Mynt CEO

GoWiFi and KapitWiFi Powers New Cities and Municipalities

San Jose Del Monte, Bulacan
Mangaldan, Pangasinan
Iloilo City
Magalang, Pampanga
# 1Q 2020 Financial Performance

<table>
<thead>
<tr>
<th></th>
<th>1Q 2020</th>
<th>1Q 2019</th>
<th>YoY%</th>
<th>4Q 2019</th>
<th>QoQ%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Service Revenues</strong></td>
<td>36,882</td>
<td>36,003</td>
<td>2%</td>
<td>38,395</td>
<td>-4%</td>
</tr>
<tr>
<td><strong>OPEX and Subsidy</strong></td>
<td>(16,406)</td>
<td>(16,084)</td>
<td>2%</td>
<td>(20,220)</td>
<td>-19%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>20,476</td>
<td>19,919</td>
<td>3%</td>
<td>18,175</td>
<td>13%</td>
</tr>
<tr>
<td><strong>EBITDA Margin</strong></td>
<td>56%</td>
<td>55%</td>
<td></td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>(8,639)</td>
<td>(7,996)</td>
<td>8%</td>
<td>(9,145)</td>
<td>-6%</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>11,836</td>
<td>11,923</td>
<td>-1%</td>
<td>9,030</td>
<td>31%</td>
</tr>
<tr>
<td><strong>Non-Op Charges</strong></td>
<td>(2,200)</td>
<td>(2,127)</td>
<td>3%</td>
<td>(2,236)</td>
<td>-2%</td>
</tr>
<tr>
<td><strong>Provision for Tax</strong></td>
<td>(3,042)</td>
<td>(3,066)</td>
<td>-1%</td>
<td>(2,194)</td>
<td>39%</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>6,595</td>
<td>6,730</td>
<td>-2%</td>
<td>4,600</td>
<td>43%</td>
</tr>
<tr>
<td><strong>Core Net Income</strong></td>
<td>6,560</td>
<td>6,732</td>
<td>-3%</td>
<td>4,590</td>
<td>43%</td>
</tr>
</tbody>
</table>

1/ OPEX & Subsidy includes interconnect charges
2/ Core Net Income excludes forex, mark-to-market gains and losses, and non-recurring items
YoY EBITDA growth driven by higher revenues and lower interconnect

<table>
<thead>
<tr>
<th>YoY (in Php Mn)</th>
<th>3M19 EBITDA</th>
<th>Inc. in Revenues</th>
<th>Dec. in Interconnect Charges</th>
<th>Inc. in Staff Costs</th>
<th>Inc. in Marketing &amp; Subsidy</th>
<th>Inc. in Network Costs</th>
<th>Dec. in Provisions, Services &amp; Other OPEX</th>
<th>3M20 EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>19,919</td>
<td>879</td>
<td>503</td>
<td>771</td>
<td>71</td>
<td>187</td>
<td>203</td>
<td>20,475</td>
</tr>
</tbody>
</table>

QoQ (in Php Mn)

<table>
<thead>
<tr>
<th>QoQ (in Php Mn)</th>
<th>4Q19 EBITDA</th>
<th>Dec. in Revenues</th>
<th>Dec. in Interconnect Charges</th>
<th>Dec. in Staff Costs</th>
<th>Dec. in Marketing &amp; Subsidy</th>
<th>Inc. in Network Costs</th>
<th>Dec. in Provisions, Services &amp; Other OPEX</th>
<th>1Q20 EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18,175</td>
<td>1,513</td>
<td>863</td>
<td>267</td>
<td>1,209</td>
<td>31</td>
<td>1,505</td>
<td>20,475</td>
</tr>
</tbody>
</table>
YoY NIAT decline driven by higher depreciation

YoY (in Php Mn)

- 3M19 Reported Net Income: 6,730
- Change in EBITDA: +557
- Inc. in Depreciation: -643
- Inc. in Non-operating expenses: -73
- Dec. in Tax: +24
- 3M20 Reported Net Income: 6,595

QoQ (in Php Mn)

- 4Q19 Net Income: 4,599
- Change in EBITDA: +2,301
- Dec. in Depreciation: +507
- Dec. in Non-operating expenses: +36
- Inc. in Tax: -848
- 1Q20 Reported Net Income: 6,595
1Q20 CAPEX spend at Php 10.7 billion with 68% for data-related requirements

CAPEX BREAKDOWN
In Php Bn

- **2016**: Core (10%), Business Support (14%), Data (65%), Others (11%)
- **2017**: Core (9%), Business Support (9%), Data (82%), Others (11%)
- **2018**: Core (2%), Business Support (13%), Data (77%), Others (1%)
- **2019**: Core (7%), Business Support (11%), Data (79%), Others (3%)
- **1Q 2020**: Core (16%), Business Support (11%), Data (68%), Others (5%)
## Gearing: Debt level within covenant ratios

<table>
<thead>
<tr>
<th></th>
<th>1Q 2020</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash (in Php Bn)</td>
<td>14.5</td>
<td>8.3</td>
</tr>
<tr>
<td>Gross Debt (in Php Bn)</td>
<td>144.7</td>
<td>136.3</td>
</tr>
<tr>
<td>Gross Debt to Equity (Max of 3:1)</td>
<td>1.71x</td>
<td>1.68x</td>
</tr>
<tr>
<td>Net Debt to Equity</td>
<td>1.54x</td>
<td>1.58x</td>
</tr>
<tr>
<td>Gross Debt to EBITDA (Max of 3.5:1)</td>
<td>1.97x</td>
<td>1.86x</td>
</tr>
<tr>
<td>Net Debt to EBITDA</td>
<td>1.77x</td>
<td>1.75x</td>
</tr>
<tr>
<td>Debt Service Coverage Ratio (Min of 1.3x)</td>
<td>4.56x</td>
<td>2.99x</td>
</tr>
</tbody>
</table>

### 2Q 2020 CASH DIVIDEND

- **Php/sh**: 24.83

**DATE:***

- **Record Date**: May 18, 2020
- **Payment Date**: June 3, 2020
## Preliminary 2Q 2020 Guidance

<table>
<thead>
<tr>
<th>2Q 2020 Revenue</th>
<th>• Low double-digit decline vs 1Q 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q 2020 EBITDA Margin</td>
<td>• Keep EBITDA margin at low 50s</td>
</tr>
<tr>
<td>2Q 2020 Cash CAPEX</td>
<td>• At least Php 2 billion drop versus 1Q 2020</td>
</tr>
</tbody>
</table>
| Other Considerations: | • Latest government outlook for lower GDP growth and remittances, and temporary unemployment  
    • Outlook for the balance of the year to be assessed further depending on progression of ECG/GCQ  
    • Increased churn across all services  
    • Higher bad debt provisions |