



Globe Signs Sale and Leaseback Deal with Frontier Towers

MANILA, Philippines – August 12, 2022 – Globe (PSE:GLO), a leading digital platform in the Philippines with major interests in telecommunications, financial technology, digital marketing solutions, venture capital funding for startups, corporate venture building, virtual healthcare and providing support to entertainment, announced today that it obtained Board approval for its milestone initiative to sell over 7,000 towers, of which 66% are located in Luzon, 19% in Mindanao and 15% in Visayas. The tower assets up for sale are made up of 79% ground-based towers and 21% rooftop towers, and have been grouped into 3 unique distinct portfolios assigned to three different tower companies representing local and international groups with deep experience and expertise in telecom tower infrastructure, and engineering and construction. Upon completion, this transaction will represent the largest ever tower sale and leaseback deal in the country.

Globe expects to raise a significant amount of capital over the next few quarters from executing this transaction. Of the total proceeds, approximately 75% will be used to fund capital expenditures, to support our ongoing network expansion and sustain our industry-leading network consistency and reliability scores. The balance of 25% will be earmarked to cover our 2023 debt servicing requirements. This will significantly improve the overall health of Globe's balance sheet and provide sufficient flexibility to properly compete in this dynamic market as well as further expand its digital ecosystem.

The second portfolio consisting of 3,529 towers, will be sold to Frontier Tower Associates Philippines Inc. (Frontier Towers) for ₱45 billion, and leased back over an initial period of 15 years. The first close for this portfolio is targeted to happen in late 3rd quarter, with subsequent closings happening as and when closing conditions are met. Globe estimates the pre-tax transaction gain for this portfolio to be ₱15.0 billion, reporting and recognition of which will be according to the timing of the transaction closings, which will be on a staggered basis.

Furthermore, these proposed sale and leaseback transactions affirm Globe's commitment to the United Nations Sustainable Development Goals (UN SDG), particularly UN SDG No. 9, which highlights the roles of infrastructure and innovation as crucial drivers of economic growth and development. This also support Globe's mission to deliver a #1stWorldNetwork for Filipinos by leveraging on the strengths of the tower company partners to increase operational efficiencies.

"We have always been looking for ways to monetize our tower assets and this record-breaking initiative marks our continued commitment to optimize our capital raising efforts and further strengthen the balance sheet as we seek to capitalize on opportunities in the telecommunications sector and complementary services," said **Rizza Maniego-Eala, Globe Chief Finance Officer.**

"These expanded long term partnerships with the tower companies shows Globe's commitment to help improve the Philippines's internet condition as well as our desire to have as many Filipinos enjoy the benefits of having access to reliable internet. We also believe that through these monetization efforts, Globe will be able to improve overall operational efficiency, allowing us to serve our customers better and supporting our goal of enabling the digital lives of the Filipinos," said **Ernest Cu, Globe President and Chief Executive Officer.**

Patrick Tangney, Chairman and CEO of Frontier Towers, said, "We are honored by the trust Globe has shown Frontier in forming a long-term cellular tower strategic partnership. We look forward to continued collaboration with Globe and the country's mobile network operators to advance the growth of digital

infrastructure locally and to deliver stronger connectivity and sustainable, inclusive economic growth to the people of the Philippines.”

Discussions on the sale and leaseback opportunities with the other tower company is still ongoing and there is no certainty that such discussions will lead to a definitive transaction. Globe will make relevant announcements in accordance with the rules of the Philippines Stock Exchange as and when appropriate.

About Globe

Globe Telecom, Inc. is a leading digital platform in the Philippines, with major interests in telecommunications, financial technology, digital marketing solutions, venture capital funding for startups, entertainment, and virtual healthcare. The company serves the telecommunications and technology needs of consumers and businesses across an entire suite of products and services including mobile, fixed, broadband, data connectivity, internet and managed services. In 2019, Globe became a signatory to the United Nations Global Compact, committing to implement universal sustainability principles. Its principals are Ayala Corporation and Singtel, acknowledged industry leaders in the country and in the region. It is listed on the Philippine Stock Exchange under the ticker symbol GLO and had a market capitalization of US\$5.5 billion as of the end of June 2022. For more information, visit www.globe.com.ph. Follow @enjoyglobe on Facebook, Twitter, Instagram and YouTube.

About Frontier Towers

Frontier Towers is a subsidiary of Pinnacle Towers. Pinnacle invests in, builds and operates telecommunications infrastructure with a focus on towers and related assets. Pinnacle is an Asia-focused digital infrastructure platform with a strong focus on the rapidly growing Philippines market. Frontier Towers’ leadership team includes founders of a number of highly successful tower companies and former C-level executives from some of the world’s leading wireless operators. Pinnacle is backed by leading global investment firm KKR.

About KKR

KKR is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR’s insurance subsidiaries offer retirement, life, and reinsurance products under the management of Global Atlantic Financial Group. References to KKR’s investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR’s website at www.kkr.com and on Twitter @KKR_Co.

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