

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

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

1. **Converge Information and Communications Technology Solutions, Inc.**

23 May 2022

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

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

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

6. (SEC Use Only)
Industry Classification Code:

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

8. **(02) 8-667-0888**
Issuer's telephone number, including area code

9. **Not applicable**
Former name or former address, if changed since last report

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

Title of Each Class

Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding

Common Shares
Fixed Rate Bonds

7,526,294,461
10,000,000,000

11. Indicate the item numbers reported herein:

Item No. 9

Item 9. Other Items

On May 23, 2022, the Board of Directors of the Company approved a share buy-back program. Please see attached Press Release of the Company for further information.

SIGNATURES

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

**Converge Information and Communications
Technology Solutions, Inc.**
Issuer

23 May 2022
Date


ELVIRA C. OQUENDO
Corporate Secretary



23 May 2022

Converge ICT Announces Share Buyback and Full Exit of Coherent Cloud

Converge ICT Solutions Inc. (PSE: CNVRG, “Converge ICT” or the “Company”) has approved a share buyback program as part of its objective to increase shareholder value. As part of this buy-back program, the Company has committed to acquire (“Buyback”) up to approximately PHP 6.5 billion from Coherent Cloud Investments (“Coherent Cloud”), an affiliate of Warburg Pincus. The Buyback approval is concurrent with the announcement by Coherent Cloud that it will launch a placing of 288.7 million shares, representing approximately 3.8% of the company’s outstanding share capital, at a price of PHP 25 per share through an accelerated book build offering (“ABO”). The price of the share buyback will be at the same price as the ABO.

Converge ICT has sufficient unrestricted retained earnings to cover the Buyback. The Buyback will be funded by a drawdown of existing debt facilities. Converge ICT’s financial position after this Buyback remains well within its debt covenants, while capex plans continue to remain fully-funded through its robust operational cash flow and existing debt facilities, including its recent PHP 10 billion Peso bond

The buy-back program, if utilized fully, is expected to increase Return on Equity to shareholders by approximately 1.5 percentage points to approximately 24%.

Dennis Anthony H. Uy, Founder and Chief Executive Officer of Converge ICT, said, “The share buyback highlights the confidence of the founders and management team in Converge ICT’s long-term, sustainable growth potential and value creation as well as the company’s confidence in its continued ability to capture the vast market opportunity”.

Upon completion of the ABO and the Buyback, Converge ICT’s public float will increase to over 30%, up from approximately 20% at the time of IPO in 2020. Coherent Cloud will also distribute within 30 days, its remaining shares in Converge ICT to certain parties as part of existing arrangements. This distribution will also be effected at the same price as the Buyback and ABO, and will include a lock-up on these shares until the end of 2022. The increase in free float since the IPO has helped Converge ICT to most recently qualify for inclusion into the MSCI indices, which will be effective on 31 May 2022, following the Company’s inclusion into the FTSE Global Equity Index Series (Small-cap), FTSE Renaissance IPO Index, FTSE ASEAN All-Share Index, FTSE ASEAN Star, and the PSE Index over the past year.

Saurabh Agarwal, Managing Director of Warburg Pincus will continue to remain on Converge ICT’s board following the completion of the transactions.

Mr. Agarwal said, “Warburg Pincus invested in Converge ICT several years ago to partner with Dennis and Grace in fulfilling their vision of building a business focused on providing high-speed fixed broadband to millions of unserved and underserved households and businesses across the Philippines. We are extremely proud of what Converge ICT has achieved over the last few years and believe it continues to be well-positioned to accelerate its growth trajectory and further capture a significant share of the market. The Company now has a deep bench of management team in place and I am confident this is the right step

forward for us as well as the Company. Converge ICT will undoubtedly cement its position as the largest high-speed broadband operator in the Philippines“.

About Converge ICT

Converge Information and Communications Technology Solutions, Inc. (Converge ICT), is the fastest-growing and only pure-play fixed broadband operator in the Philippines, with an extensive, proprietary end-to-end fiber broadband infrastructure. Since its inception in 2012, Converge has focused on executing its vision of bringing affordable and reliable high-speed broadband to millions of unserved and underserved households and businesses across the Philippines. For more information please visit www.convergeict.com.

About Warburg Pincus

Warburg Pincus is a leading global growth investor. As of March 31, 2022, the firm has more than \$80 billion in assets under management. The firm’s active portfolio of more than 245 companies is highly diversified by stage, sector, and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 21 private equity and 2 real estate funds, which have invested more than \$100 billion in over 1,000 companies in more than 40 countries. The firm is headquartered in New York with offices in Amsterdam, Beijing, Berlin, Hong Kong, Houston, London, Luxembourg, Mumbai, Mauritius, San Francisco, São Paulo, Shanghai, and Singapore. For more information please visit www.warburgpincus.com.

Important Notice

This communication does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States or in any other jurisdiction. The Company’s shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of that Act. There will be no public offering of the Company’s shares in the United States.