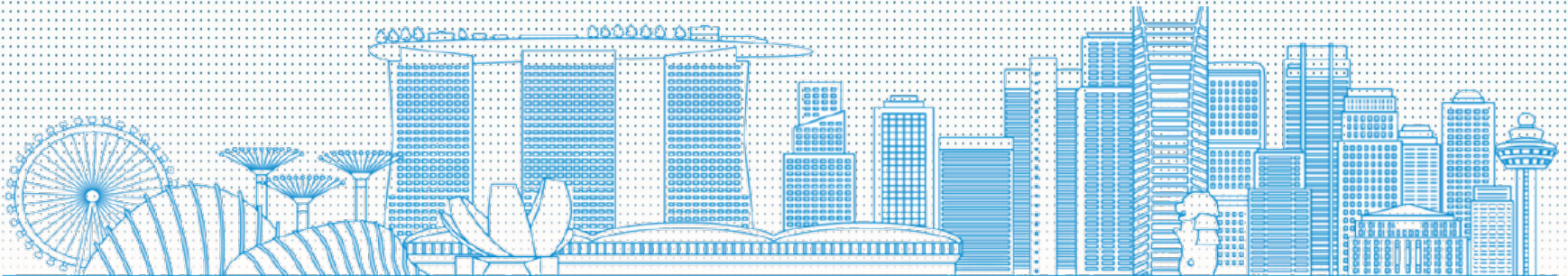


NetLinkNBN
the fibre of a smart nation

Analyst update for the financial period 1 Apr to 31 Dec 2021 ("9M FY22")

14 February 2022



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Financial snapshot⁽¹⁾

REVENUE

S\$282m

↑ 1.9%⁽²⁾

CASH BALANCE

S\$113m

**MARKET
CAPITALISATION⁽³⁾**

S\$3,897m

EBITDA

S\$197m

↓ 6.2%⁽²⁾

GROSS DEBT

S\$666m

**ENTERPRISE
VALUE⁽³⁾**

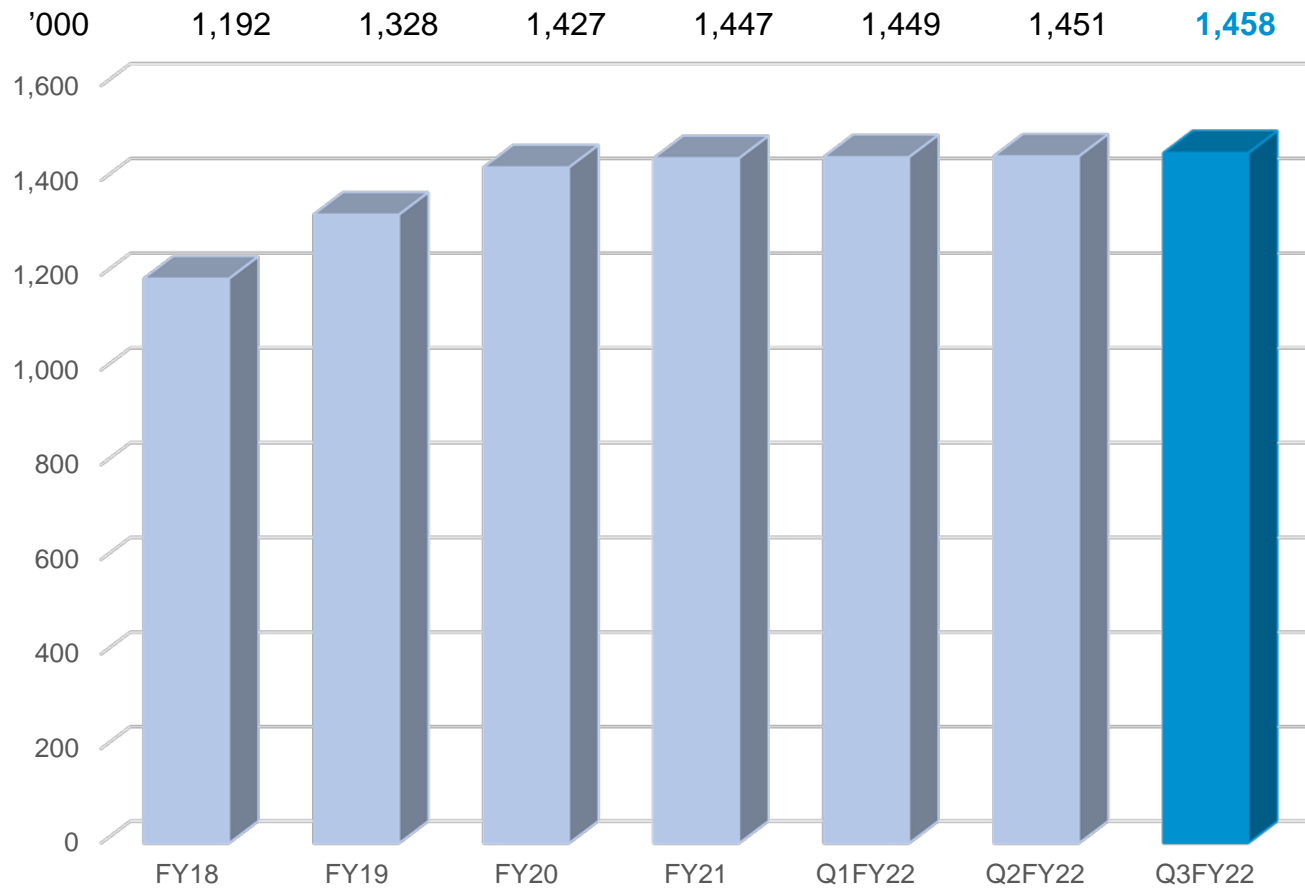
S\$4,450m

(1) 9MFY22

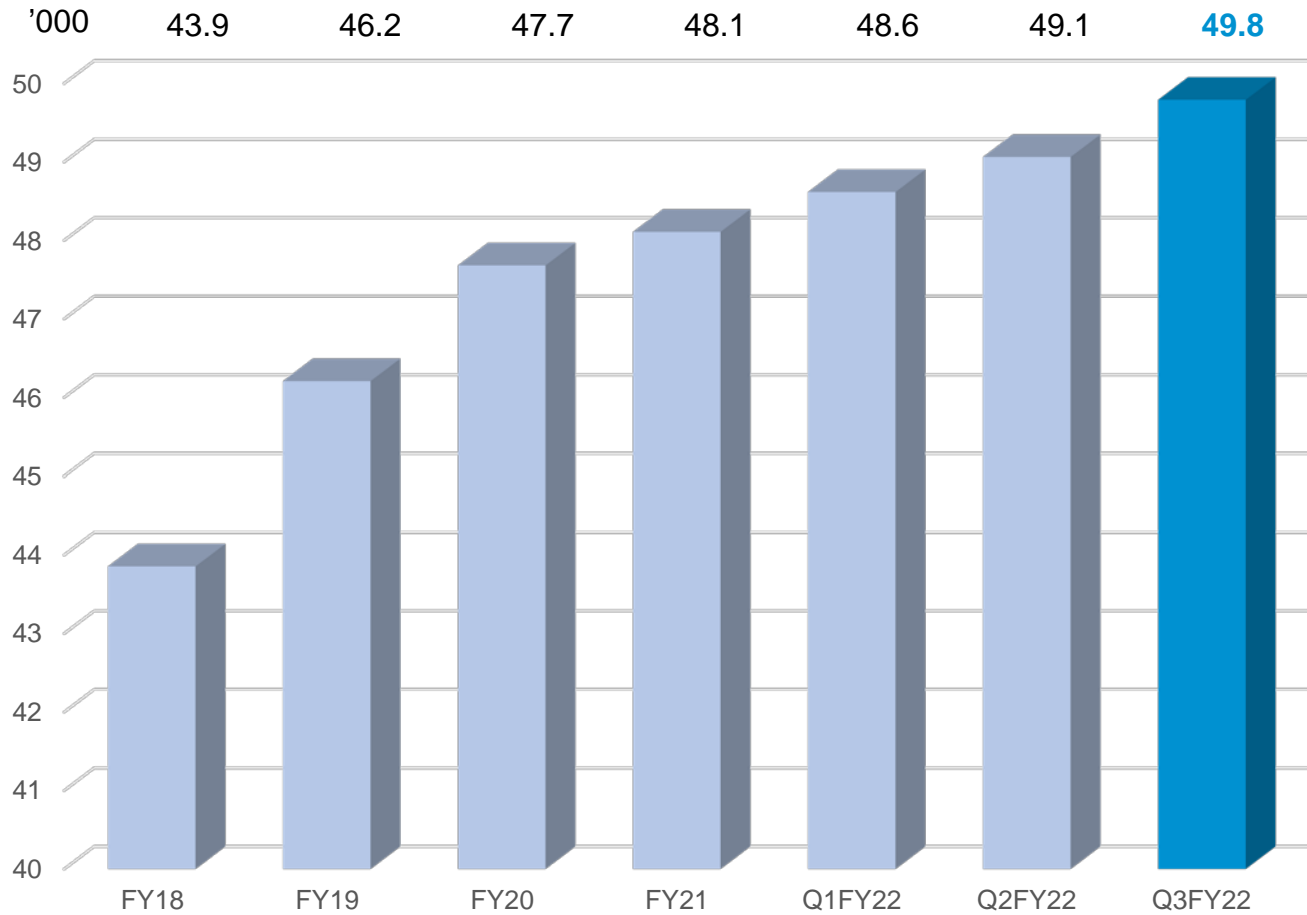
(2) Variance versus 9MFY21

(3) Based on the unit price of S\$1.00 at 31 Dec 2021

Residential fibre connections

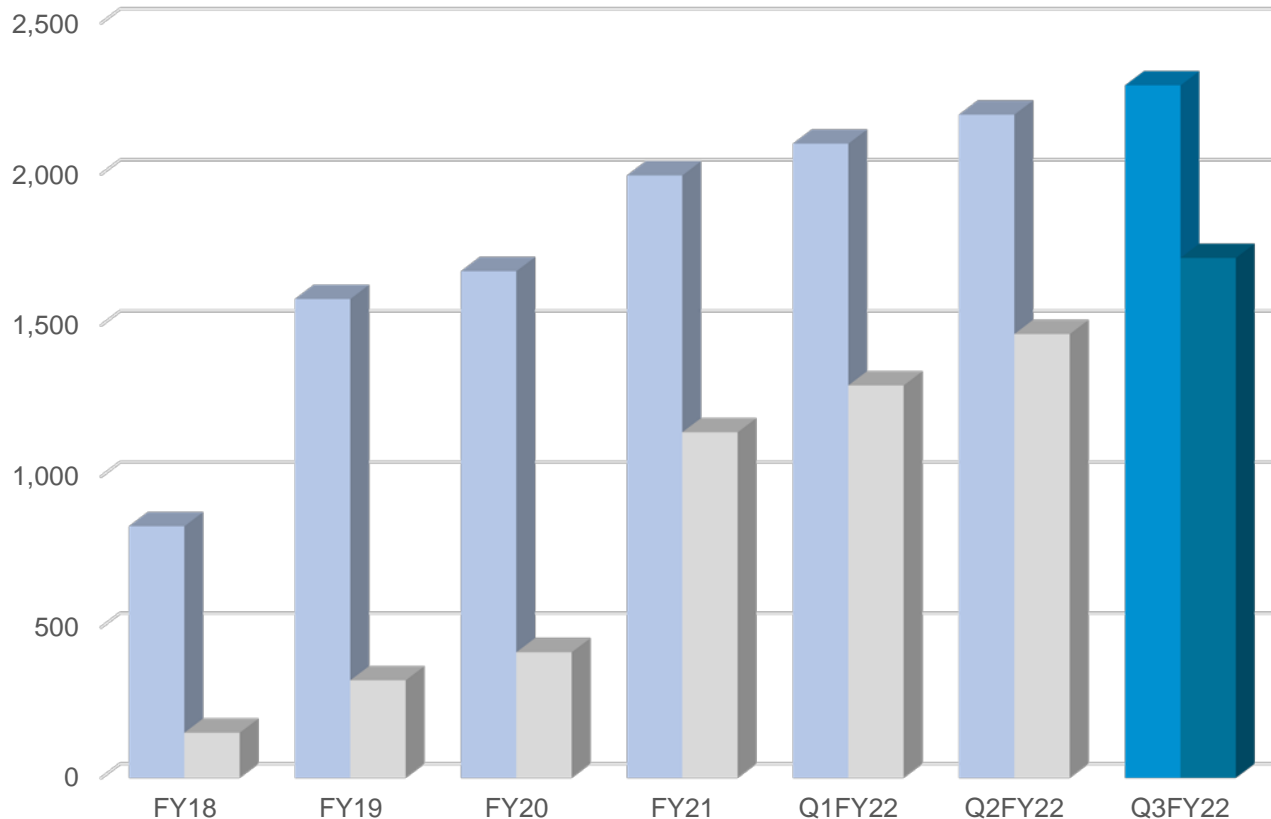


Non-residential fibre connections



Non-Building Address Point (“NBAP”) and Segment connections⁽¹⁾

	FY18	FY19	FY20	FY21	Q1FY22	Q2FY22	Q3FY22
NBAP	835	1,587	1,679	1,996	2,101	2,197	2,294
Segment	150	324	417	1,146	1,301	1,471	1,668



¹ Segment connections comprise, *inter alia*, Point-to-Point, Central Office to Central Office and Central Office to MDF room fibre connections provided to Requesting Licensees



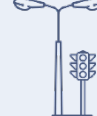





9MFY22 Profit & loss statement

\$'000	9MFY22	9MFY21	Variance (%)
Revenue	281,551	276,279	1.9
EBITDA	196,890	209,915	(6.2)
EBITDA Margin (%)	69.9	76.0	(6.1) pp
Depreciation and amortisation	(127,215)	(125,449)	1.4
Net finance charges	(7,620)	(13,935)	(45.3)
Profit before tax	62,055	70,531	(12.0)

Revenue for 9MFY22 was 1.9% higher mainly due to higher residential, NBAP & segment connections revenue, and installation-related revenue. This was partially offset by lower Central Office revenue.

EBITDA decreased by 6.2% in spite of higher revenue, mostly due to higher operating expense impacted by a remeasurement loss of \$12.4 million relating to finance lease receivables arising from the reduction in rental rates upon the renewal of the CO lease agreements with the lessee from Sep 2021. The accounting standards require the reduction in rental rate for FY22 and subsequent years (i.e. remaining lease term of the leasehold ranging from 47 to 67 years) to be recognised upfront as the remeasurement loss. The reduction in rental rates is not expected to have a material cashflow impact for FY22 nor subsequent years.

A resilient business model

	 Residential Connections	 Non-Residential Connections	 NBAP & Segment Connections	 Ducts & Manholes Service Revenue	 Installation Related Revenue	 Diversion Revenue	 Co-Location & Other Revenue	 Central Office Revenue
	RAB Revenue				Non-RAB Revenue			
% of 9MFY22 Revenue	64.0%	8.2%	3.3%	7.5%	5.2%	2.3%	5.2%	4.3%
Recurring, predictable cash flows	✓	✓	✓	✓	-	-	✓	✓
Long-term contracts / customer stability	✓	✓	✓	✓	-	-	✓	✓
Regulated revenues	✓	✓	✓	✓	✓	-	✓	-
Creditworthy customers	✓	✓	✓	✓	✓	✓	✓	✓

Robust balance sheet⁽¹⁾

Cash Balance	S\$113m
Gross Debt	S\$666m
Net Assets	S\$2,677m
Gross Debt/EBITDA ⁽²⁾	2.6x
EBITDA Interest Cover ⁽²⁾	23.9x

- Stable capital structure with debt headroom to fund future capex

(1) As at 31 Dec 2021

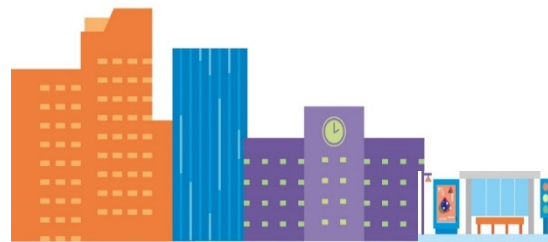
(2) Ratios calculated based on NetLink Group's trailing 12 months financials

Our focus for FY22



RESIDENTIAL

- Improve take-ups from first time fibre users
- Connect low-income households via initiatives such as IMDA's Home Access programme
- Connect new homes
- Improve service provisioning QoS



NON-RESIDENTIAL AND NBAP

- Continue improving network capacity, flexibility and resilience
- Customised offerings for projects
- Support 5G roll-outs
- Improve take-ups at major Data Centres



POTENTIAL NEW INVESTMENTS

- Explore opportunities to invest in telecoms infrastructure businesses which are likely to generate a stable cashflow

Thank You

Investors and Media

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