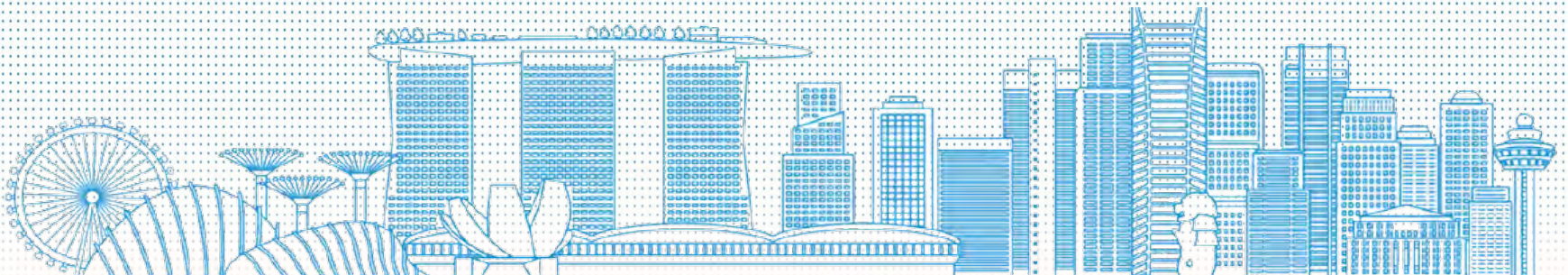


NetLinkNBN
the fibre of a smart nation

Analyst update for the financial period 1 Apr 2021 to 31 Mar 2022 ("FY22")

17 May 2022



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EBITDA is a non-SFRS financial measure and represents operating profit before depreciation and amortisation expense, net finance costs and income tax expense. EBITDA and EBITDA margin are supplemental financial measures of the NetLink Group’s performance and liquidity, and are not required by, or presented in accordance with SFRS, IFRS, Singapore Financial Reporting Standards (International), U.S. GAAP or any other generally accepted accounting principles. Furthermore, EBITDA and EBITDA margin are not measures of financial performance or liquidity and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with SFRS, IFRS, Singapore Financial Reporting Standards (International), U.S. GAAP or any other generally accepted accounting principles.

Financial snapshot⁽¹⁾

REVENUE

S\$378m

↑ 2.5%⁽²⁾

CASH BALANCE

S\$150m

**MARKET
CAPITALISATION⁽³⁾**

S\$3,800m

EBITDA

S\$267m

↓ 1.2%⁽²⁾

GROSS DEBT

S\$666m

**ENTERPRISE
VALUE⁽³⁾**

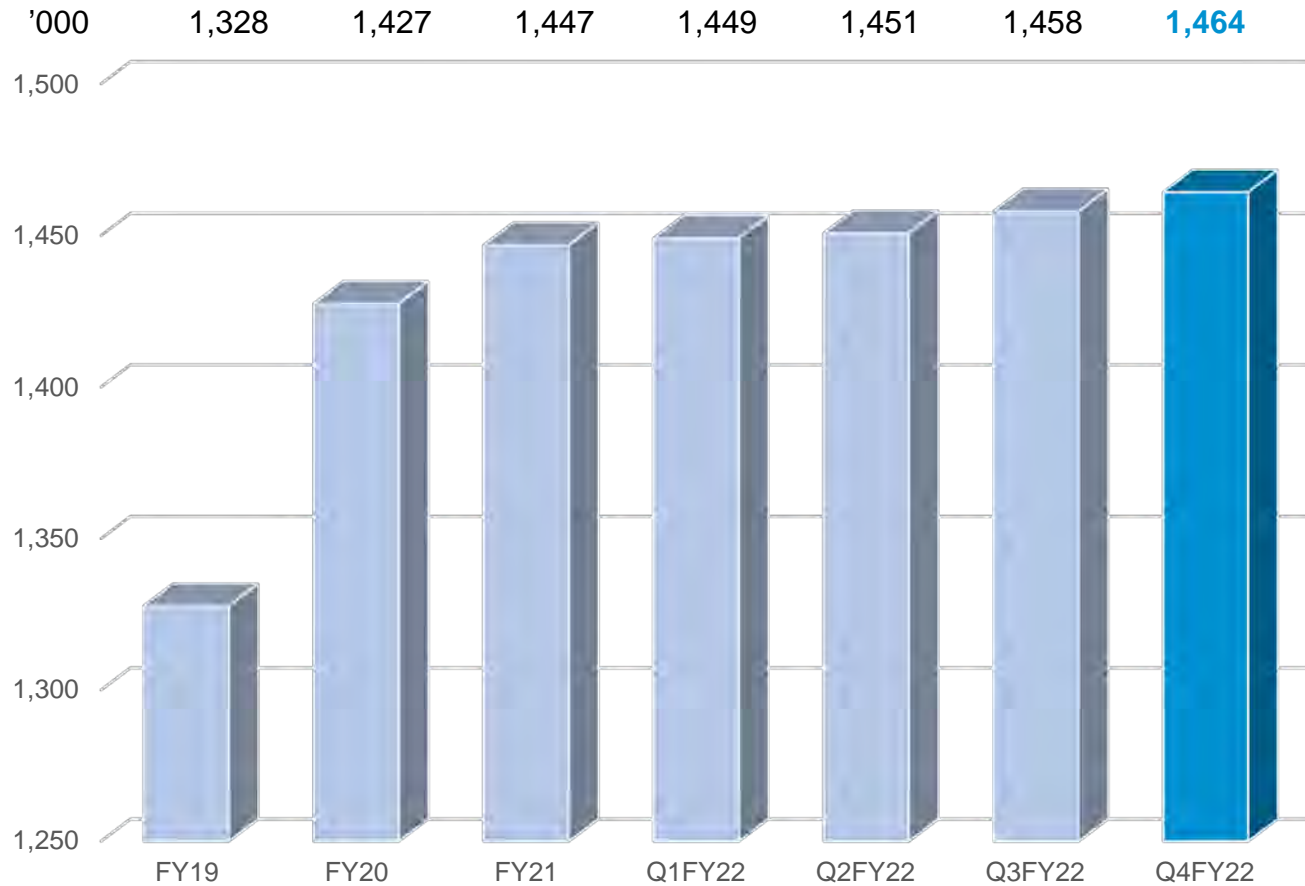
S\$4,316m

(1) FY22

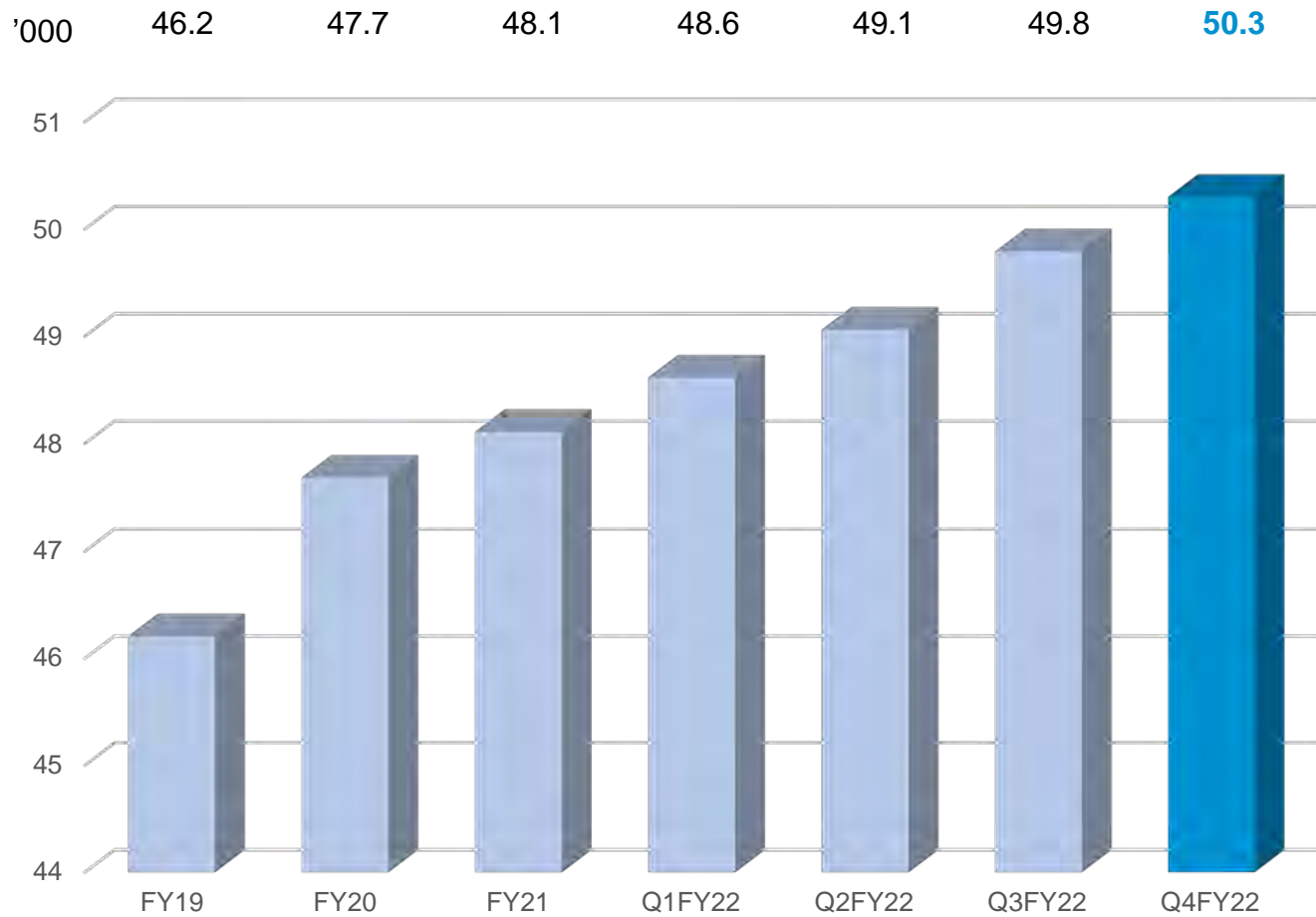
(2) Variance versus FY21

(3) Based on the unit price of S\$0.975 at 31 Mar 2022

Residential fibre connections

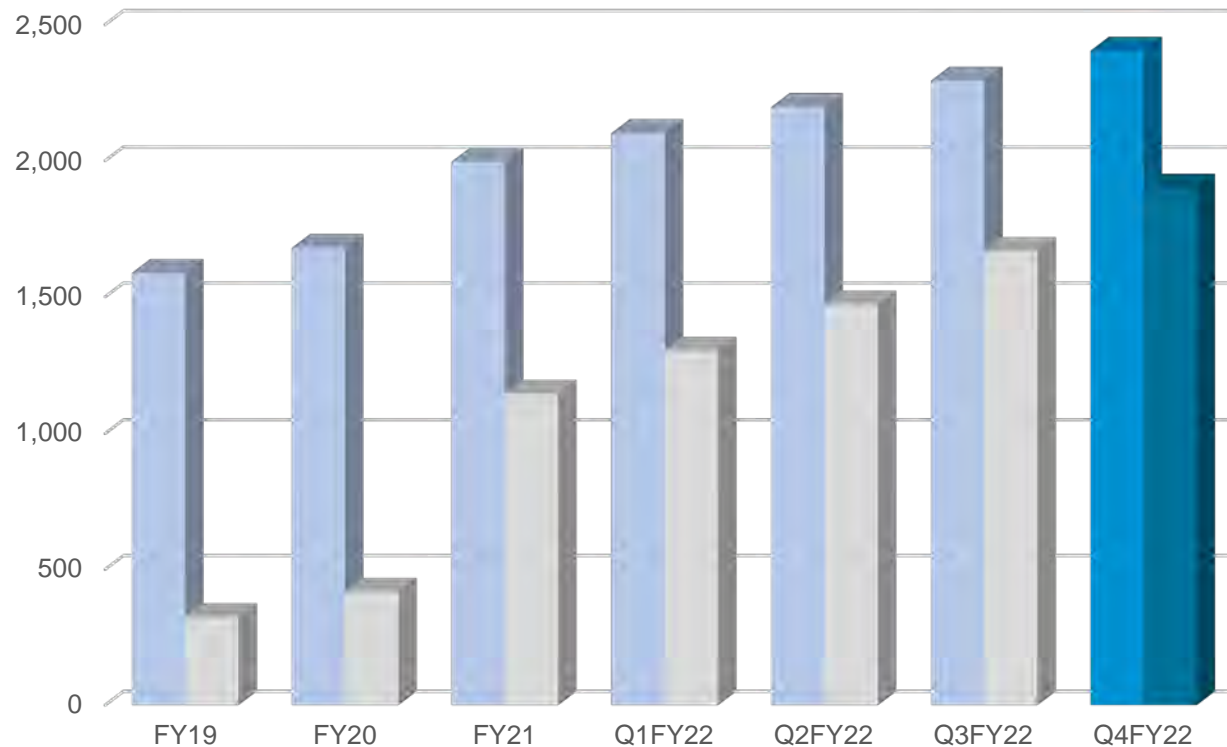


Non-residential fibre connections



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

	FY19	FY20	FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22
NBAP	1,587	1,679	1,996	2,101	2,197	2,294	2,404
Segment	324	417	1,146	1,301	1,471	1,668	1,901



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



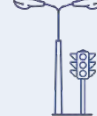





FY22 Profit & loss statement

S\$'000	FY22	FY21	Variance (%)
Revenue	377,611	368,466	2.5
EBITDA	266,941	270,237	(1.2)
EBITDA Margin (%)	70.7	73.3	(2.6) pp
Depreciation and amortisation	(169,723)	(167,792)	1.2
Net finance charges	(10,140)	(10,803)	(6.1)
Profit before tax	87,078	91,642	(5.0)

Revenue for FY22 was 2.5% higher than FY21 due mainly to higher residential, NBAP & segment connections revenue, installation-related revenue and ancillary project revenue. This was partially offset mainly by lower Central Office Revenue.

EBITDA decreased marginally by 1.2% mainly due to a remeasurement loss of S\$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 reduction in rental rates did not have a material cashflow impact for FY22 nor is it expected to have a material cashflow impact on each of the subsequent years. 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 EBITDA variance was also due to S\$5.7 million lower net government grants received in FY22 and a S\$7.4 million write-off of capitalised project costs in FY21 in relation to the discontinuation of an IT contract.

A resilient business model

	 Residential Connections	 Non-Residential Connections	 NBAP & Segment Connections	 Ducts & Manholes Service Revenue	 Installation Related Revenue	 Ancillary project revenue	 Co-Location & Other Revenue	 Central Office Revenue
	RAB Revenue				Non-RAB Revenue			
% of FY22 Revenue	63.8%	8.2%	3.4%	7.4%	5.1%	2.7%	5.1%	4.3%
Recurring, predictable cash flows	✓	✓	✓	✓	-	-	✓	✓
Long-term contracts / customer stability	✓	✓	✓	✓	-	-	✓	✓
Regulated revenues	✓	✓	✓	✓	✓	-	✓	-
Creditworthy customers	✓	✓	✓	✓	✓	✓	✓	✓

Robust balance sheet⁽¹⁾

Cash Balance	S\$150m
Gross Debt	S\$666m
Net Assets	S\$2,716m
Gross Debt/EBITDA ⁽²⁾	2.5x
EBITDA Interest Cover ⁽²⁾	29.8x

- Stable capital structure with debt headroom to fund future capex

(1) As at 31 Mar 2022

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

Distribution Details

Distribution period	1 October 2021 – 31 March 2022
Distribution amount	2.57 Singapore cents per Unit
Ex-distribution date and time	26 May 2022, 9am
Books closure date and time	27 May 2022, 5pm
Distribution payment date	10 June 2022

Our focus for FY23



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
- Continue to meet our service provisioning QoS



NON-RESIDENTIAL NBAP & SEGMENT

- Continue improving network capacity, flexibility and resilience to provide point-to-point connectivity & other projects requiring resiliency
- 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 will generate a stable cashflow

Thank You

Investors and Media

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