



**Analyst update for the period
1 Apr to 31 Dec 2022
("9M FY23")**

13 February 2023

NetLinkNBN
the fibre of a smart nation

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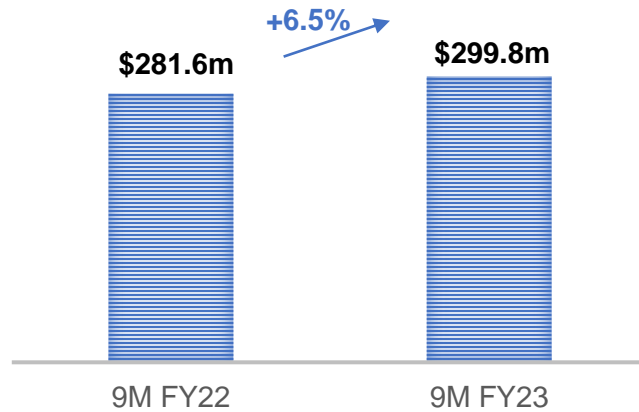
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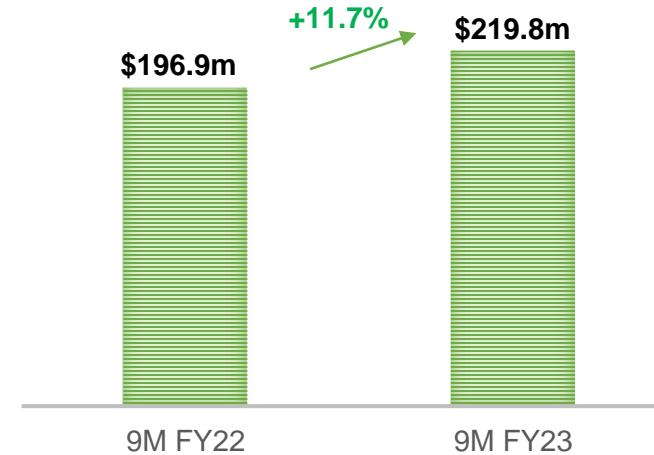
EBITDA is a non-SFRS financial measure and represents operating profit before depreciation and amortisation expense, net finance costs and income tax expense. EBITDA and EBITDA margin are supplemental financial measures of the NetLink Group’s performance and liquidity, and are not required by, or presented 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.

9M FY23 Financial highlights

REVENUE



EBITDA



NET GEARING

21.6%

Comfortable debt headroom

WEIGHTED AVERAGE DEBT DURATION

3.7 years

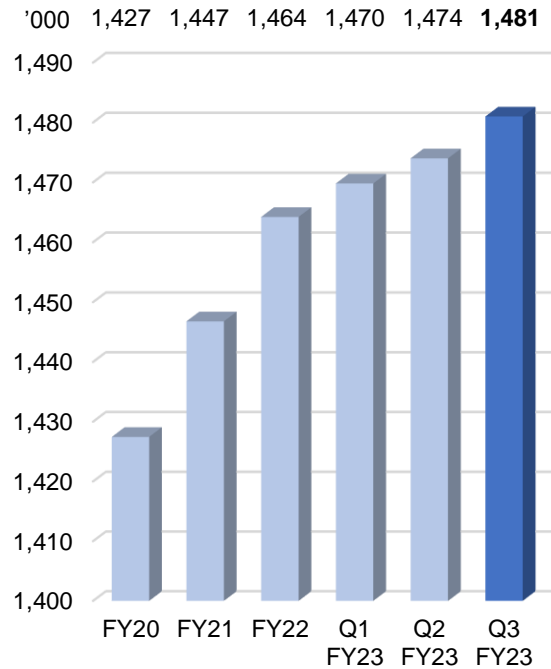
MARKET CAPITALISATION

S\$3.2 billion

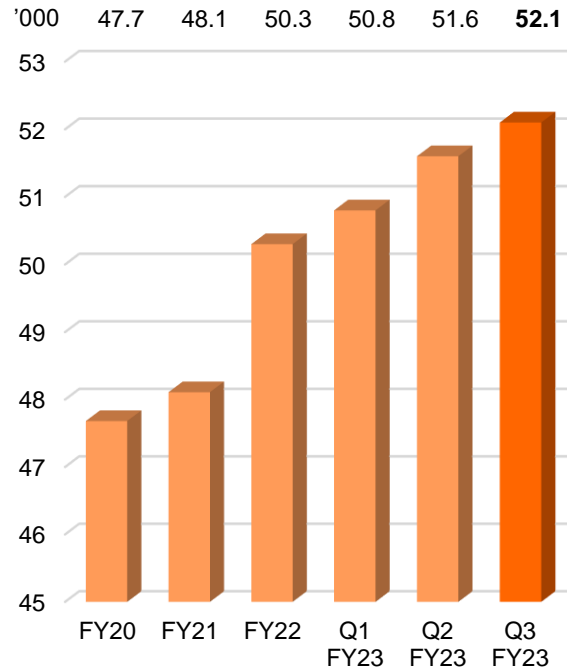
Unit price of S\$0.83 as at
31 Dec 2022

Fibre connections

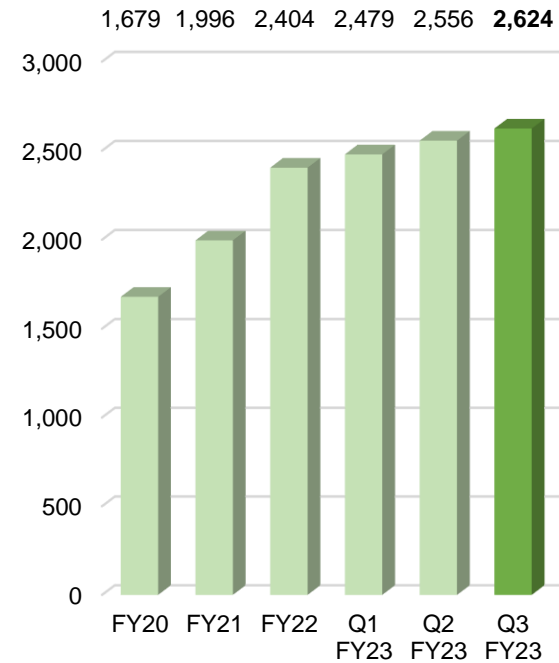
Residential



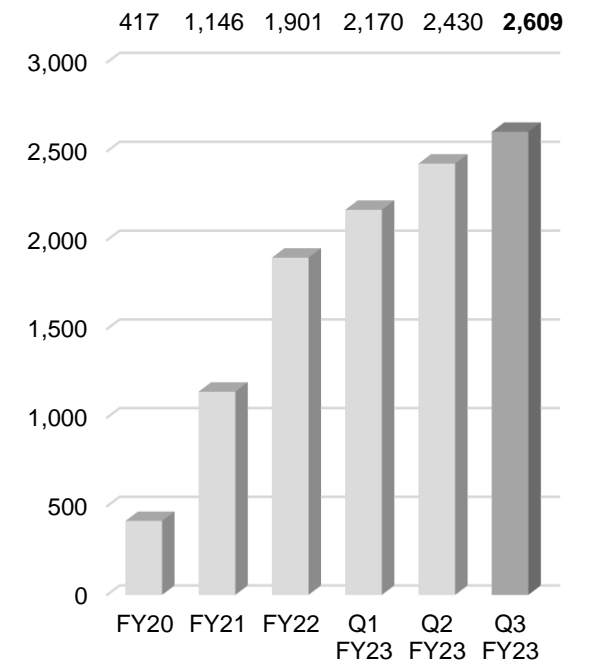
Non-Residential



Non-Building Address Points



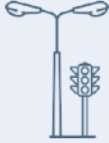







Segment⁽¹⁾



⁽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

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 9M FY23 Revenue	61.0%	8.0%	4.1%	7.0%	5.0%	5.8%	5.3%	3.8%
Recurring, predictable cash flows	✓	✓	✓	✓	-	-	✓	✓
Long-term contracts / customer stability	✓	✓	✓	✓	-	-	✓	✓
Regulated revenues	✓	✓	✓	✓	✓	-	✓	-
Creditworthy customers	✓	✓	✓	✓	✓	✓	✓	✓

Strategic Focus

- 1. Improve network reach, densification and capability in support of NetLink's fibre-to-anywhere (FTTx) deployment.**
- 2. Improve competitiveness of NetLink's Fibre in enterprise and Government segment**
- 3. Pursue favourable outcome for Regulatory Price Review**
- 4. Explore opportunities to invest in telecoms infrastructure businesses overseas which are likely to generate a stable cashflow**
- 5. Create brand affinity with end-users**

9M FY23 Profit & loss statement

S\$'000	9M FY23	9M FY22	Variance (%)
Revenue	299,843	281,551	6.5
EBITDA	219,839	196,890	11.7
EBITDA Margin (%)	73.3	69.9	3.4pp
Depreciation and amortisation	(127,270)	(127,215)	0.0
Net finance charges	(11,246)	(7,620)	47.6
Net Profit before tax	81,323	62,055	31.0

Revenue for 9M FY23 was 6.5% higher than 9M FY22 mainly due to:

- Higher ancillary project revenue, NBAP and segment connections revenue and residential connections revenue
- Partially offset by lower central office revenue

EBITDA was higher by 11.7% mainly due to:

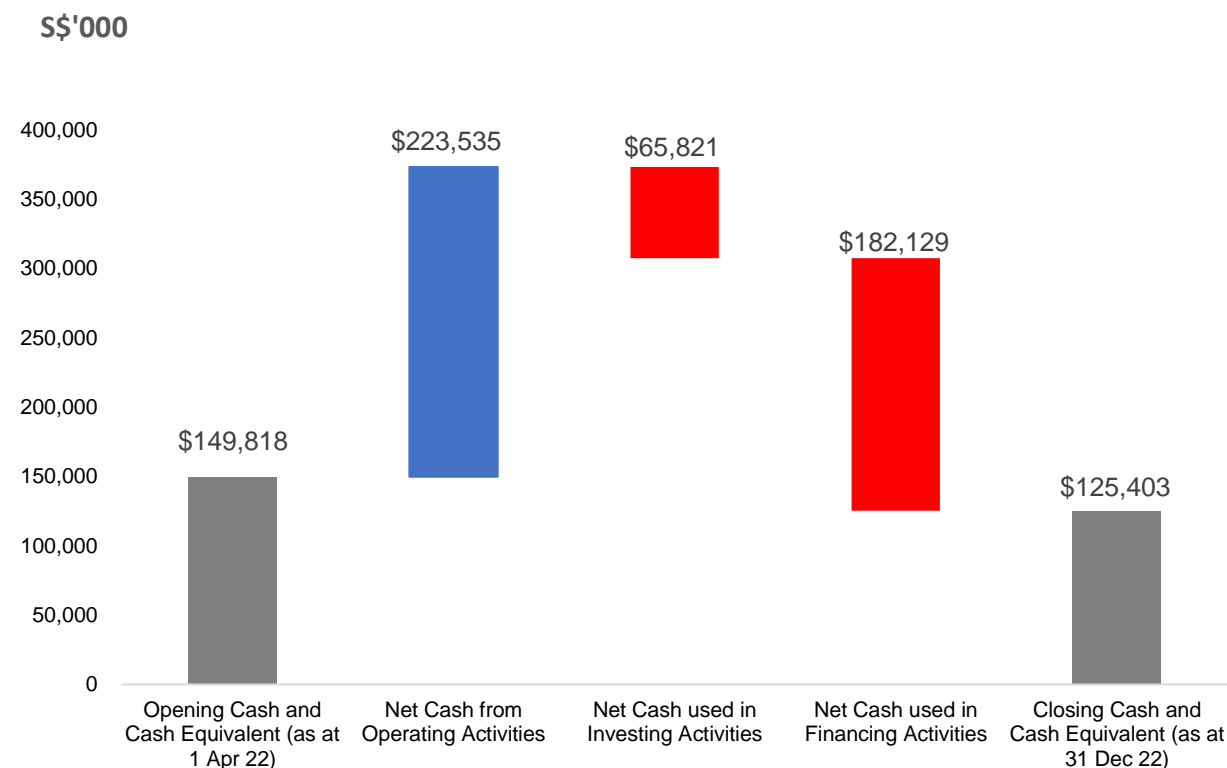
- Lower operating expenses, and higher revenue net of related costs.
- Operating expenses was significantly lower because of the \$12.4 million remeasurement loss recorded in 9M FY22 due to the change in rental rates upon the renewal of the CO lease agreements

Strong credit metrics and cashflow

	9M FY23	9M FY22
Gross Debt	S\$690m	S\$666m
Weighted average debt maturity	3.7yrs	3.6yrs
Net debt/EBITDA ⁽²⁾	1.95x	2.15x
EBITDA Interest cover ⁽²⁾	20.6x	17.5x
Borrowings at Fixed Rate	73.9%	50.0%
Effective average interest rate	2.0%	1.1%

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

- \$210 million 3-year RCF was refinanced in Sep 2022 with a \$180 million 5-year Term Loan.
- Debt interest rate substantially hedged
- Stable capital structure with debt headroom to fund future capex



- Strong cashflow generated from operations and cash reserves
- Distribution declared for H1 FY23 paid in this quarter



Thank you

Investors and Media

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