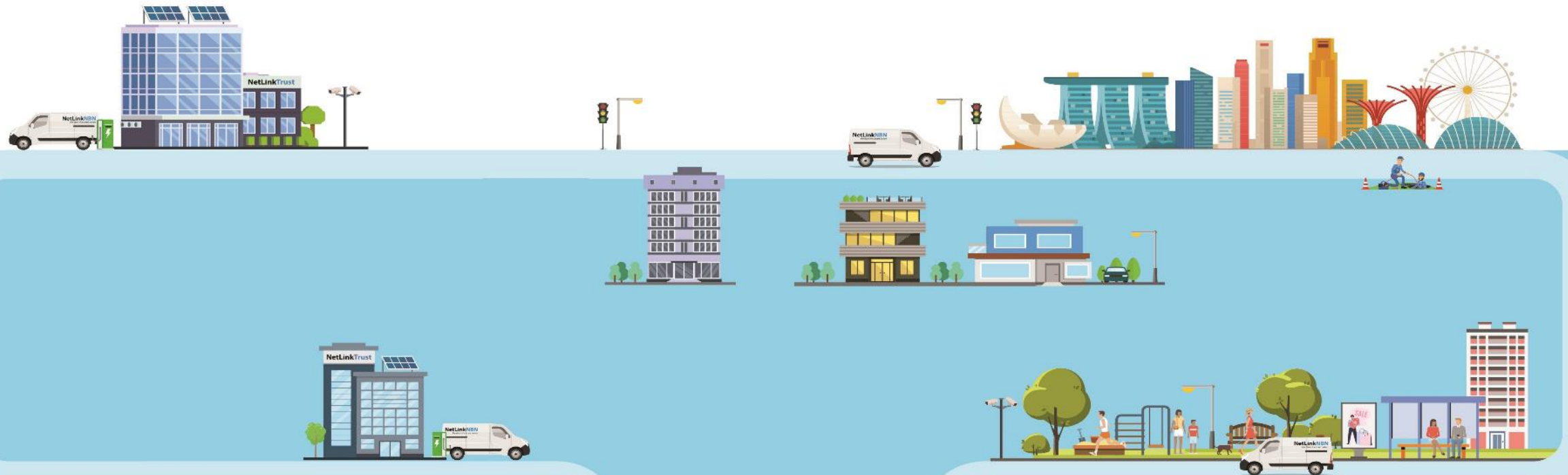


4 March 2025

# Phillip Capital Trading Representatives and Retail Investors Briefing

**NetLinkNBN**  
*the fibre of a smart nation*



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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.

# Our business overview

**1,517,326**

**Residential  
End-Users**

- High Rise Residential Apartments
- Landed Residential Area



**10** Central Offices



**3,832** Segment Connections

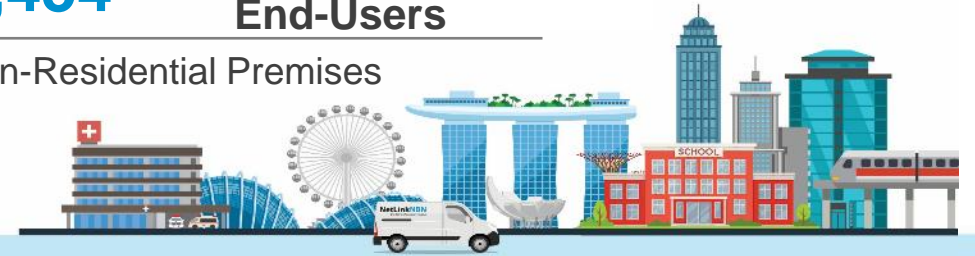
- Central Office to Central Office
- Point-to-Point
- Central Office to MDF room



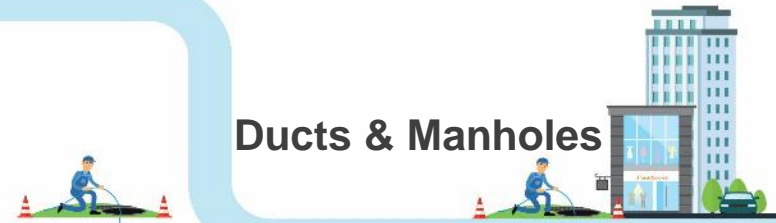
**53,454**

**Non-Residential  
End-Users**

- Non-Residential Premises



**Ducts & Manholes**



**3,065**

**NBAP Connections**

- Lamp Post
- WiFi hotspot
- Mobile Base Station
- Billboard/Signage



# Our business is future proof



**Preferred**  
means of fixed  
broadband  
delivery



**High**  
**penetration** rate  
in the residential  
segment



**Low prices** for  
fibre broadband



**Critical**  
**infrastructure**  
supporting  
last-mile  
wireless access  
solutions

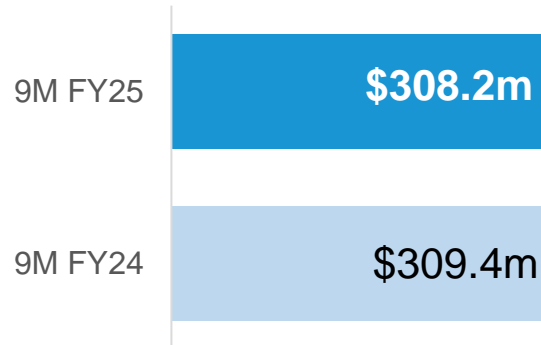


**Scalable** and  
supportive of  
future  
transmission  
technologies

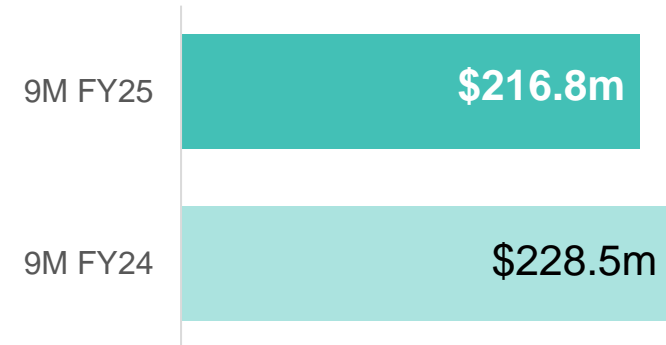


# 9M FY25 Financial highlights

## REVENUE



## EBITDA



## NET GEARING

**30.6%**  
Comfortable debt headroom

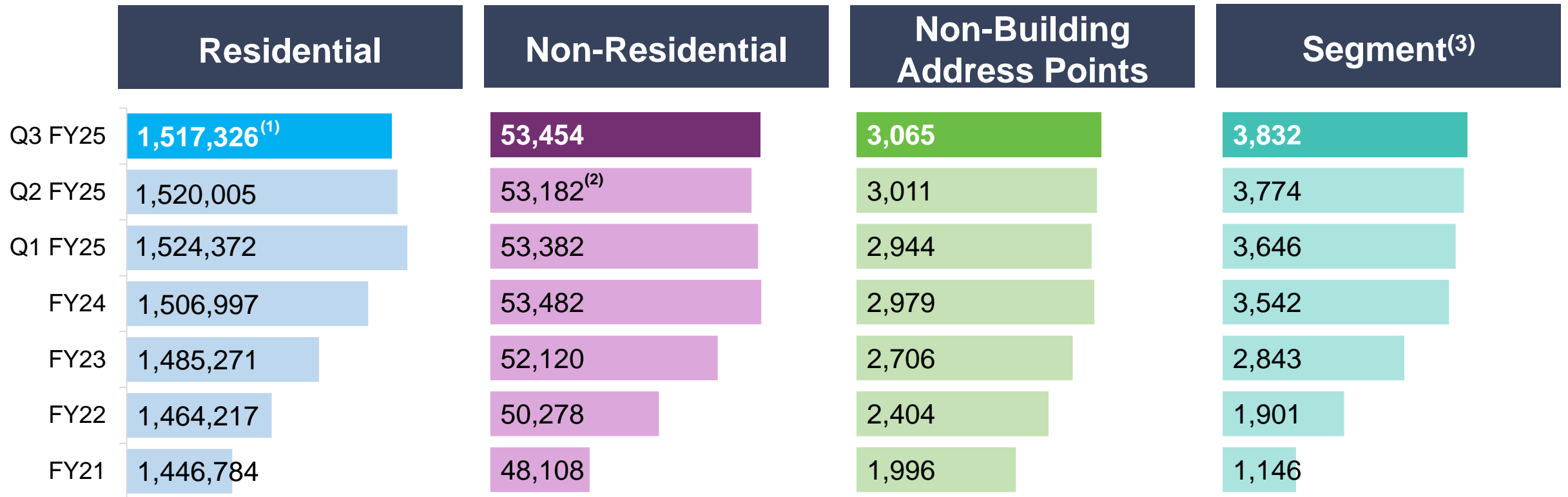
## WEIGHTED AVERAGE DEBT MATURITY

**1.6 years**

## MARKET CAPITALISATION

**\$3.4 billion**  
Unit price of \$0.870 as at  
31 Dec 24

# Fibre connection trends











<sup>(1)</sup> The decrease was largely due to delayed terminations of lower-speed broadband plans from end-users who had earlier upgraded to higher-speed broadband plans, as well as termination of dormant connections by Requesting Licensees (RLs). The net increase in 9M FY25 was 10,329 connections (or 0.7%) as compared to 31 Mar 2024 (FY24).

<sup>(2)</sup> The decrease was largely due to churn between RLs with delayed terminations and RL consolidation.

<sup>(3)</sup> Segment connections comprise, *inter alia*, Point-to-Point, Central Office to Central Office and Central Office to MDF room fibre connections provided to RLs.

# Resilient business model

	 Residential Connections	 Non-Residential Connections	 NBAP & Segment Connections	 Ducts & Manholes Service Revenue	 Co-Location Revenue	 Central Office Revenue	 Installation Related & Other Revenue	 Ancillary Project Revenue
	RAB REVENUE					NON-RAB REVENUE		
<b>% of 9M FY25 Revenue</b>	60.0	8.2	4.7	6.4	5.0	4.2	7.0	4.5
<b>Recurring, predictable cash flows</b>	✓	✓	✓	✓	✓	✓	-	-
<b>Long-term contracts / customer stability</b>	✓	✓	✓	✓	✓	✓	-	-
<b>Regulated revenues</b>	✓	✓	✓	✓	✓	-	✓	-
<b>Creditworthy customers</b>	✓	✓	✓	✓	✓	✓	✓	✓



# Key focus for FY25

1. Grow NBAP & Segment connections by supporting deployments related to Smart Nation and cloud-based services
2. Continue to support digitalisation of SMEs by lowering the cost of connections
3. Enhance our Colocation facilities to support the upgrade of the Nationwide Broadband Network to offer up to 10 Gbps per connection
4. Complete the construction of our new Central Office to achieve operational readiness in 2025 to serve the northern part of Singapore
5. Execute our sustainability initiatives and strive for continued and sustained emissions reduction





# 9M FY25 Profit or loss statement

\$'000	9M FY25	9M FY24	Variance (%)
Revenue	308,153	309,447	(0.4)
EBITDA	216,829	228,474	(5.1)
EBITDA Margin (%)	70.4%	73.8%	(3.4 pp)
Depreciation & amortisation	(131,099)	(129,637)	1.1
Net finance costs	(13,712)	(13,810)	(0.7)
Profit after tax	74,134	85,106	(12.9)

## REVENUE

Regulated Asset Base (RAB) revenue remained stable YoY. For the 9M FY25, overall revenue declined by \$1.3 million, primarily due to lower contributions from ancillary projects (non-RAB revenue). This was partially offset by higher installation-related revenue.

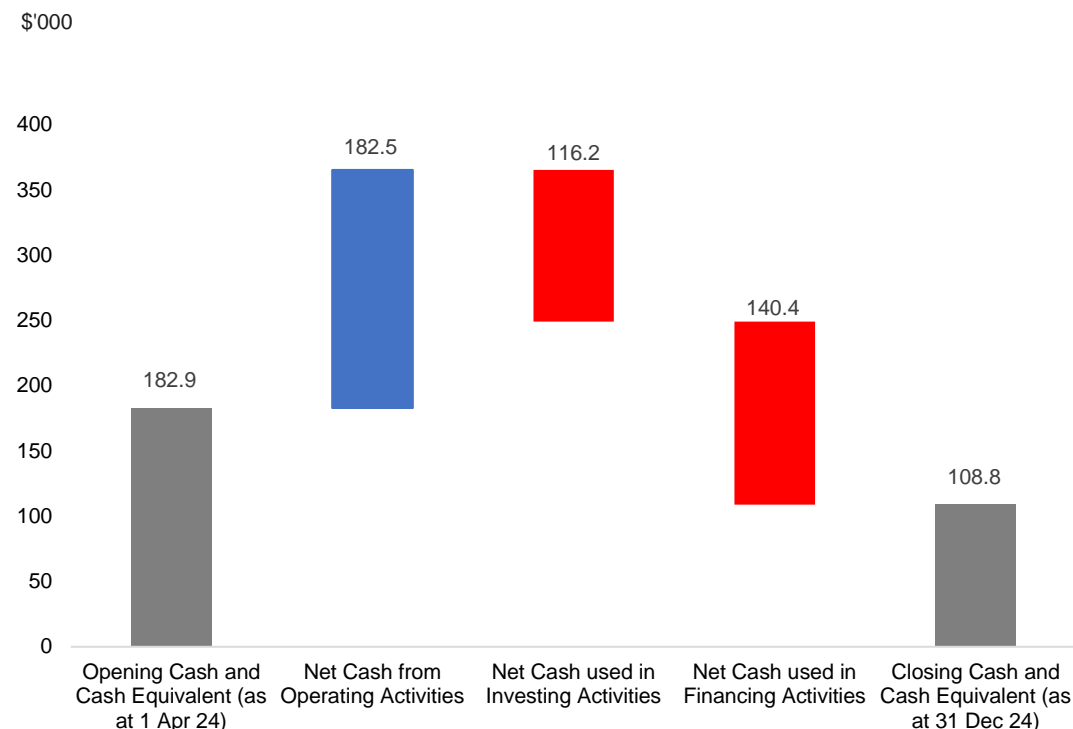
**EBITDA** decreased by \$11.6 million, impacted by lower revenue and non-operating income, along with higher operating costs. In the prior corresponding period, the operating costs were lower partly due to one-off reversal of \$6.2 million following the resolution of disputed power charges.

**Profit After Tax (PAT)** declined by \$11.0 million, mainly due to lower EBITDA and higher depreciation and amortisation, partially offset by a higher income tax credit.

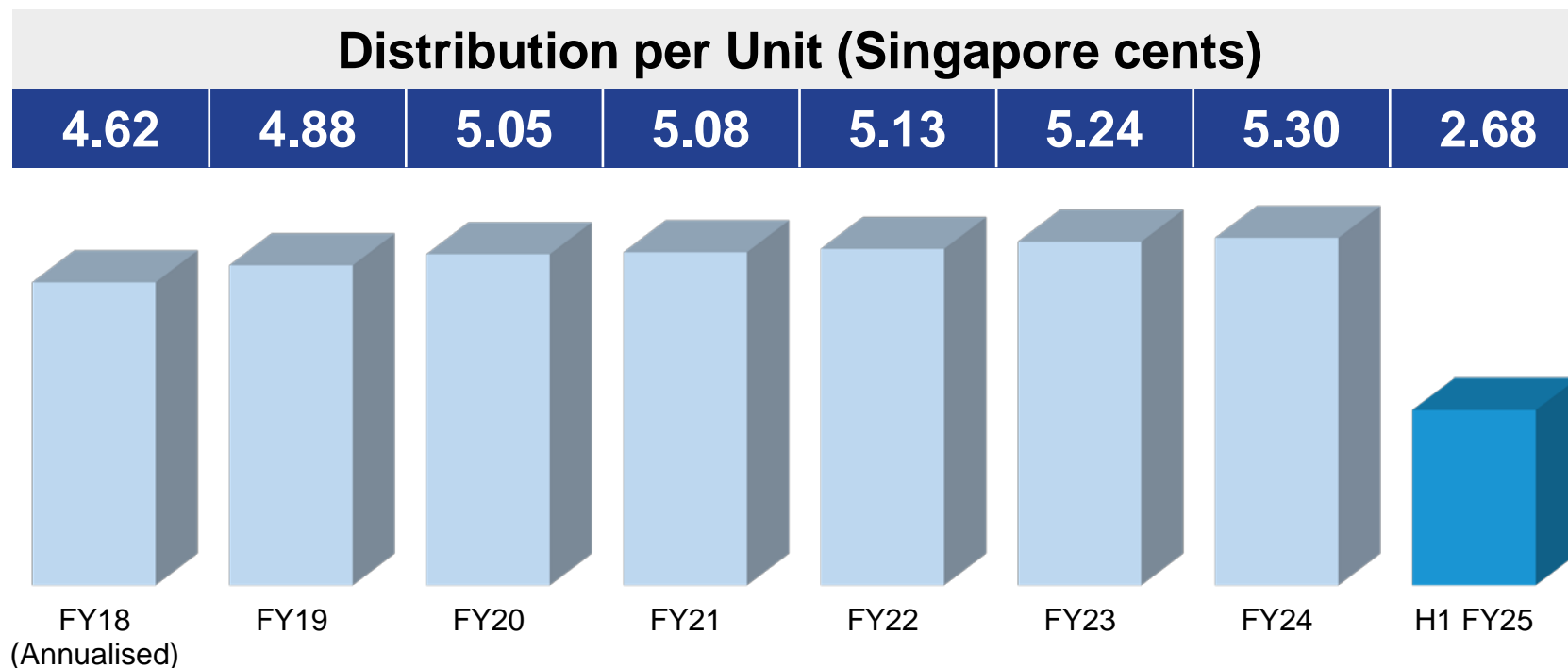
# Strong credit metrics and operating cash flow

	Dec 2024	Mar 2024
Gross Debt	\$835m	\$765m
Weighted Average Debt Maturity	1.6yrs	2.4yrs
Net Debt/EBITDA <sup>(1)</sup>	2.6x	2.0x
Borrowings at Fixed Rate	71.9%	78.4%
	9M FY25	9M FY24
EBITDA Interest Cover <sup>(1)</sup>	13.0x	15.2x
Effective Average interest Rate	2.72%	2.75%

<sup>(1)</sup> Ratios calculated based on NetLink Group's trailing 12 months financial



# Attractive DPU



- NetLink's DPU has grown steadily YoY since its IPO
- NetLink has returned \$1.4 billion to unitholders since its IPO to date (including the H1 FY25 distribution)
- Annualised distribution yield at 6.2% based on the unit price of \$0.87 as at 31 Dec 2024

**Thank you**

**Investors and Media**

**Mr Victor Chan**

**investor@netlinknbn.com**



# Pricing model

## PRICING OF NLT'S PRINCIPAL SERVICES ARE REGULATED BY IMDA

- IMDA holds a review of pricing terms every five years, or at any such time as IMDA may consider appropriate (which may include a mid-term review in the third year from the last price review).
  - ❑ IMDA's most recent review of the prices in NetLink Trust's Interconnection Offer was completed in November 2023. The revised prices are effective from 1 April 2024.
  - ❑ Pricing terms are regulated using the Regulated Asset Base (RAB) framework, which allows NetLink Trust to recover the following components: (a) return of capital deployed (i.e. depreciation); (b) return on capital employed; and (c) operating expenditure.
  - ❑ The WACC determined by IMDA is 7%.
  - ❑ NetLink Trust will set aside a Capex Reserve of \$40 million for the new pricing period.
- NetLink Trust may propose to conduct a mid-term price adjustment in the third year, in the event of any significant changes to cost or demand forecasts due to unforeseen circumstances.

## MONTHLY RECURRING CHARGE ("MRC")

### RESIDENTIAL

**\$13.50**

per connection per month

### NON-RESIDENTIAL

**\$55.00**

per connection per month

### NBAP

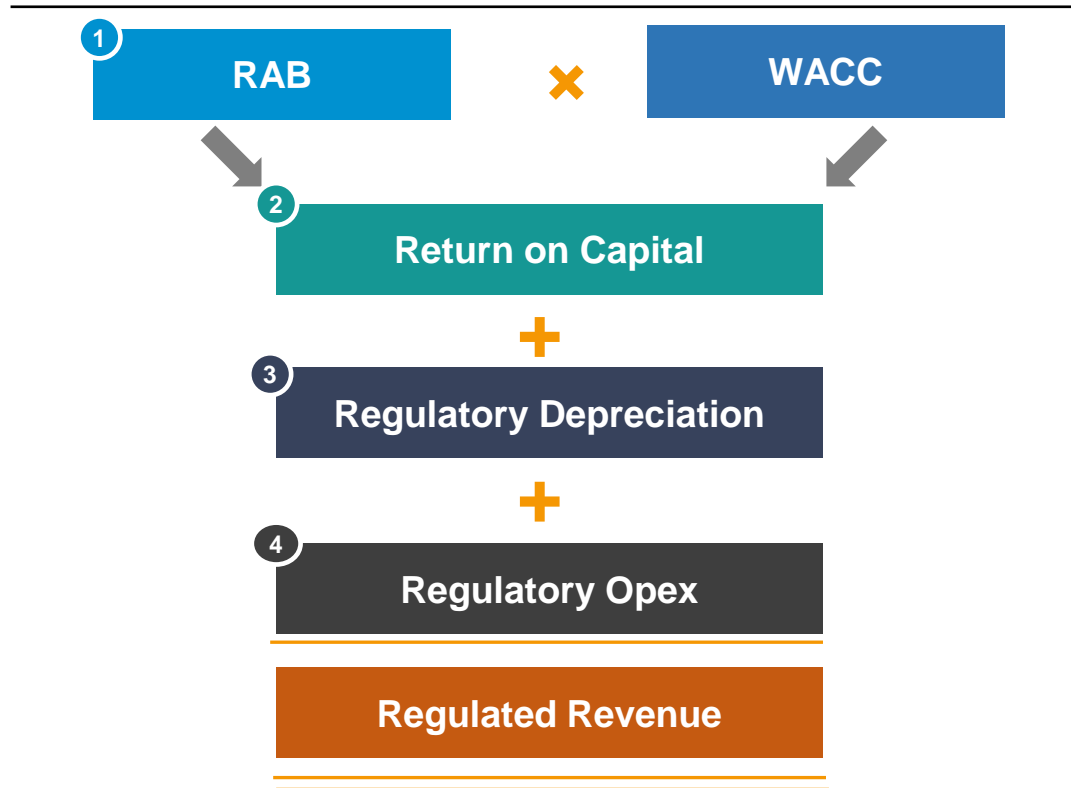
**\$70.50**

per connection per month

# Pricing model

- Stable and consistent regulatory framework provides low risk and long-term returns to investors.

## FRAMEWORK FOR RAB BASED PRICING MODEL



## METHODOLOGY FOR RAB BASED PRICING MODEL

<b>1</b> <b>Cost Base for RAB</b>	<ul style="list-style-type: none"> <li>Base year of the RAB is 2012               <ul style="list-style-type: none"> <li>Assets purchased up to 2012 are valued at 2012 prices</li> <li>Assets purchased after 2012 are valued at actual cost</li> </ul> </li> </ul>
<b>2</b> <b>Return on Capital <sup>(i)</sup></b>	<ul style="list-style-type: none"> <li>Nominal pre-tax WACC of 7.0%               <ul style="list-style-type: none"> <li>Derived using the capital asset pricing model</li> </ul> </li> <li>Nominal Pre-tax WACC =               <math display="block">\text{Cost of equity} \times \frac{(1 - \text{gearing})}{(1 - \text{tax})} + \text{Cost of debt} \times \text{gearing}</math> </li> </ul>
<b>3</b> <b>Regulatory Depreciation</b>	<ul style="list-style-type: none"> <li>Based on Annuity Method of Depreciation</li> <li>Useful life of assets:               <ul style="list-style-type: none"> <li>Ducts and manholes: 35 years</li> <li>Fibre and related infrastructure: 25 years</li> </ul> </li> </ul>
<b>4</b> <b>Regulatory Opex</b>	<ul style="list-style-type: none"> <li>NLT is allowed to recover a portion of its operating expenditure spent as part of the RAB</li> </ul>

<sup>(i)</sup> IMDA may change the rate of applicable pre-tax WACC in future review period