

SINGAPORE NBN TRUST **(also known as “TM Shares Trust”)**

(a trust constituted by a deed of trust dated 21 February 2017
with DBS Trustee Limited acting as Share Trustee)

REPORT FOR THE FINANCIAL PERIOD **ENDED 31 MARCH 2018**

The joint issue managers of the initial public offering and listing of NetLink NBN Trust were DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte., and UBS AG, Singapore Branch. The joint underwriters of the initial public offering and listing of NetLink NBN Trust were DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte., UBS AG, Singapore Branch, Merrill Lynch (Singapore) Pte. Ltd., Citigroup Global Markets Singapore Pte. Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Oversea-Chinese Banking Corporation Limited, and United Overseas Bank Limited. The joint issue managers and joint underwriters of the initial public offering assume no responsibility for the contents of this Report.

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NETLINK NBN MANAGEMENT PTE. LTD.

(Incorporated in Singapore)
Company Registration. No. 201704783K

**FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 21 FEBRUARY 2017
(DATE OF INCORPORATION) TO 31 MARCH 2018**

NETLINK NBN MANAGEMENT PTE. LTD.
GENERAL INFORMATION

DIRECTORS

Mr Chaly Mah Chee Kheong	(Chairman - Appointed on 19 April 2017, Independent Director - Appointed on 21 February 2017)
Ms Koh Kah Sek	(Independent Director - Appointed on 21 February 2017)
Mr Ang Teik Siew @ Ang Teik Lim Eric	(Independent Director - Appointed on 24 March 2017)
Mr Tan Tiang Yew Irving	(Independent Director - Appointed on 21 February 2017)
Mr Yeo Wico	(Independent Director - Appointed on 21 February 2017)
Mr Lang Tao Yih, Arthur	(Non-Executive Director- Appointed on 21 February 2017)
Mr Slattery Sean Patrick	(Non-Executive Director - Appointed on 28 April 2017)
Mr Tong Yew Heng	(Chief Executive Officer and Executive Director - Appointed on 21 February 2017)

SECRETARIES

Mr Lai Kuan Loong, Victor	(Appointed on 21 February 2017)
Mr Albert Lim Aik Seng	(Appointed on 8 August 2017)

REGISTERED OFFICE

750E Chai Chee Road
#07-03 Viva Business Park
Singapore 469005

AUDITORS

Deloitte & Touche LLP

NETLINK NBN MANAGEMENT PTE. LTD.

DIRECTORS' STATEMENT

FOR THE FINANCIAL PERIOD FROM 21 FEBRUARY 2017 (DATE OF INCORPORATION) TO 31 MARCH 2018

The Directors of NetLink NBN Management Pte. Ltd. (the "Company") are pleased to present their statement together with the audited financial statements of the Company for the financial period from 21 February 2017 (date of incorporation) to 31 March 2018.

In the opinion of the Directors, the accompanying financial statements of the Company as set out on pages 10 to 22 are drawn up to give a true and fair view of the financial position of the Company as at 31 March 2018, and the financial performance, changes in equity and cash flows of the Company for the financial period then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

DIRECTORS

The Directors of the Company in office at the date of this statement are:

Mr Chaly Mah Chee Kheong	(Chairman and Independent Director)
Ms Koh Kah Sek	(Independent Director)
Mr Ang Teik Siew @ Ang Teik Lim Eric	(Independent Director)
Mr Tan Tiang Yew Irving	(Independent Director)
Mr Yeo Wico	(Independent Director)
Mr Lang Tao Yih, Arthur	(Non-Executive Director)
Mr Slattery Sean Patrick	(Non-Executive Director)
Mr Tong Yew Heng	(Chief Executive Officer and Executive Director)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial period nor at any time during the financial period did there subsist any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

None of the Directors who held office at the end of the financial period had an interest in shares or debentures of the Company and related corporations either at the beginning or at the end of the financial period.

SHARE OPTIONS

(a) Options to take up unissued shares

During the financial period, no options to take up unissued shares of the Company were granted.

(b) Options exercised

During the financial period, there were no shares of the Company issued by virtue of the exercise of an option to take up unissued shares.

(c) Unissued shares under option

At the end of financial period, there were no unissued shares of the Company under option.

AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

On behalf of the Directors,

Chaly Mah Chee Kheong
Chairman

Tong Yew Heng
Director

Singapore
14 May 2018

NETLINK NBN MANAGEMENT PTE. LTD.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NETLINK NBN MANAGEMENT PTE. LTD.
FOR THE FINANCIAL PERIOD FROM 21 FEBRUARY 2017 (DATE OF INCORPORATION) TO 31 MARCH 2018

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of NetLink NBN Management Pte. Ltd. (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial period from 21 February 2017 (date of incorporation) to 31 March 2018 (the "financial period"), and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 10 to 22.

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2018 and of the financial performance, changes in equity and cash flows of the Company for the financial period.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 6 to 7.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

14 May 2018

NETLINK NBN MANAGEMENT PTE. LTD.
STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD FROM 21 FEBRUARY 2017 (DATE OF INCORPORATION) TO 31 MARCH 2018

	Note	Financial period from 21 February 2017 to 31 March 2018
		\$
Revenue	4	927,209
Operating expenses		<u>(881,876)</u>
Profits before tax	5	45,333
Income tax	6	<u>(2,743)</u>
Profits after tax representing total comprehensive income for the financial period		<u>42,590</u>

The accompanying notes pages 14 to 22 form an integral part of these financial statements. Independent Auditors' Report – Pages 8 to 9.

NETLINK NBN MANAGEMENT PTE. LTD.
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	Note	2018
		\$
ASSET		
Current assets		
Cash and bank balances	7	14,629
Prepayments		13,616
Trade receivable from a related party	8	246,400
		<u>274,645</u>
LIABILITY		
Current liabilities		
Accrued operating expenses		229,307
Income tax payable		2,743
		<u>232,050</u>
Net Assets		<u>42,595</u>
SHAREHOLDER'S EQUITY		
Share capital	9	5
Accumulated profits		42,590
Total Equity		<u>42,595</u>

The accompanying notes pages 14 to 22 form an integral part of these financial statements. Independent Auditors' Report – Pages 8 to 9.

NETLINK NBN MANAGEMENT PTE. LTD.**STATEMENT OF CHANGES IN EQUITY**

FOR THE FINANCIAL PERIOD FROM 21 FEBRUARY 2017 (DATE OF INCORPORATION) TO 31 MARCH 2018

	Note	Share capital	Accumulated profits	Total
		\$	\$	\$
Balance as at 21 February 2017 (date of incorporation)	9	5	-	5
Profits for the period representing total comprehensive income for the financial period		-	42,590	42,590
Balance as at 31 March 2018		5	42,590	42,595

The accompanying notes pages 14 to 22 form an integral part of these financial statements. Independent Auditors' Report – Pages 8 to 9.

NETLINK NBN MANAGEMENT PTE. LTD.
STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 21 FEBRUARY 2017 (DATE OF INCORPORATION) TO 31 MARCH 2018

**Financial
period from
21 February 2017
to 31 March 2018**

\$

Cash flows from operating activities

Profits before tax

45,333

Changes in operating assets and liabilities:

Prepayments

(13,616)

Trade receivable from a related party

(246,400)

Accrued operating expenses

229,307

Cash generated from operations

14,624

Issue of share capital

5

Cash generated from financing activities

5

Net increase in cash and cash equivalents

14,629

Cash and cash equivalents at beginning of financial period

-

Cash and cash equivalents at end of financial period (Note 7)

14,629

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 21 FEBRUARY 2017 (DATE OF INCORPORATION) TO 31 MARCH 2018

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 GENERAL

The Company (Registration No. 201704783K) was incorporated in the Republic of Singapore with its principal place of business and registered office at 750E Chai Chee Road, #07-03 Viva Business Park, Singapore 469005.

The principal activity of the Company is to act as Trustee-Manager of NetLink NBN Trust (the "Trust"). The Trust is a business trust constituted by a trust deed and regulated by the Business Trusts Act, Chapter 31A of Singapore and is domiciled in Singapore. The Trust was listed on the Main Board of the Singapore Exchange Securities Trading Limited on 19 July 2017.

DBS Trustee Limited (as share trustee of Singapore NBN Trust) holds all shares of the Company (being the trustee-manager of the Trust) on trust for the benefit of the beneficiaries of Singapore NBN Trust (being the unitholders of the Trust) *pari passu*, each of whom has an undivided interest in the Company in proportion to their respective percentage of units held or owned by each of them in the Trust. Singapore NBN Trust is a business trust constituted by a trust deed dated 21 February 2017.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act, Chapter 50 and Financial Reporting Standards in Singapore ("FRSs").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payments*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- b) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- c) Level 3 inputs are unobservable inputs for the asset or liability.

Adoption of new and revised standards

On 21 February 2017, the Company adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are effective from that date and are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Company's accounting policies and has no material effect on the amounts reported for the current period.

2.2 Standards issued but not yet effective

The following FRSs, INT FRSs and amendments to FRS that are relevant to the Company were issued but not yet effective:

- FRS 109 *Financial Instruments*¹
- FRS 115 *Revenue from Contracts with Customers (with clarifications issued)*¹

¹ Applies to annual periods beginning on or after January 1, 2018, with early application permitted.

Consequential amendments were also made to various standards as a result of these new/revised standards.

FRS 109 *Financial Instruments*

FRS 109 was issued in December 2014 to replace FRS 39 *Financial Instruments: Recognition and Measurement* and introduced new requirements for (i) the classification and measurement of financial assets and financial liabilities (ii) general hedge accounting; and (iii) impairment requirements for financial assets.

Key requirements of FRS 109 that are currently relevant to the Company:

- All recognised financial assets that are within the scope of FRS 39 are now required to be subsequently measured at amortised cost or fair value. Specifically, debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income (FVTOCI). All other debt instruments and equity investments are measured at fair value through profit or loss (FVTPL) at the end of subsequent accounting periods. In addition, under FRS 109, entities may make an irrevocable election, at initial recognition, to measure an equity investment (that is not held for trading) at FVTOCI, with only dividend income generally recognised in profit or loss.
- With some exceptions, financial liabilities are generally subsequently measured at amortised cost. With regard to the measurement of financial liabilities designated as at FVTPL, FRS 109 requires that the amount of change in fair value of such financial liability that is attributable to changes in the credit risk be presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch to profit or loss. Changes in fair value attributable to the financial liability's credit risk are not subsequently reclassified to profit or loss.
- In relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The Company anticipates that the initial application of FRS 109 is not expected to result in any material changes to the accounting policies relating to the impairment provision of financial assets. Additional disclosures may be made with respect to trade and other receivables, including any significant judgement and estimation made.

FRS 115 Revenue from Contracts with Customers

In November 2014, FRS 115 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. FRS 115 will supersede the current revenue recognition guidance including FRS 18 *Revenue*, FRS 11 *Construction Contracts* and the related Interpretations when it becomes effective. Further clarifications to FRS 115 were also issued in June 2016.

The core principle of FRS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. “when control” of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added to deal with specific scenarios. Furthermore, extensive disclosures are required by FRS 115.

The Company anticipates that the initial application of the new FRS 115 is not expected to result in material changes to the accounting policies relating to revenue recognition except for extensive disclosures. The Company is currently evaluating on any additional disclosures required in respect of revenue recognition.

2.3 Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instruments.

(i) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments other than those financial instruments “at fair value through profit or loss”.

(ii) Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets “at fair value through profit or loss”, “held-to-maturity investments”, “available-for-sale” financial assets and “loans and receivables”. The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition.

Trade receivable from a related party

The Company has only one category of financial assets – trade receivable from a related party.

Trade receivable from a related party are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

The Company assesses for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency in interest or principal payments; or
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Loans and receivables that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised directly in equity is recognised in the profit or loss.

(iii) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either "fair value through profit or loss" or other financial liabilities. Financial liabilities include "accrued operating expenses".

Other financial liabilities

Accrued operating expenses are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognized on an effective yield basis.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

2.4 Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

2.5 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new equity shares are taken to equity as a deduction, net of tax, from the proceeds.

2.6 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

2.7 Revenue recognition

Revenue recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Management fee revenue from the provision of management services are recognised when the services are rendered.

2.8 Income tax

Income tax expense represents the sum of the tax currently payable.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company operates by the end of the reporting period.

2.9 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which it operates ("functional currency"). The financial statements of the Company are presented in Singapore Dollars, which is the functional and presentation currency of the Company.

2.10 Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related to the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a); and
 - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

3.1 Critical judgements in applying the Company's accounting policies

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management has not made any critical judgement which may have a significant effect on the amounts recognised in the financial statements.

3.2 Key sources of estimation uncertainty

There are no key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 REVENUE

Revenue relates to management fee which is receivable quarterly in arrears and in accordance with the Trust Deed dated 19 June 2017 which constituted NetLink NBN Trust.

5 PROFITS BEFORE TAX

The following items have been included in arriving at profit before tax:

	Financial period from 21 February 2017 to 31 March 2018
	\$
Directors' fees	<u>818,356</u>

6 INCOME TAX

The income tax on the results differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	Financial period from 21 February 2017 to 31 March 2018
	\$
Profit before tax	<u>45,333</u>
Tax calculated at a tax rate of 17%	7,707
Income not subject to tax purposes	(4,278)
Effect of tax relief	<u>(686)</u>
	<u>2,743</u>

7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following amounts:

	2018
	\$
Cash and bank balances	<u>14,629</u>

8 TRADE RECEIVABLE FROM A RELATED PARTY

The receivable is from NetLink NBN Trust. The receivable is trade in nature, non-interest bearing and on 30 days' terms. They are recognized at their original invoice amounts which represent their fair values on initial recognition. There is no significant change in credit quality and the Company has not recognised any allowance for doubtful receivables.

There are no trade receivables which are past due as at 31 March 2018.

9 SHARE CAPITAL

Issued and paid up ordinary share capital

	2018 Shares and \$
Balance at date of incorporation and end of financial period	<u>5</u>

All issued shares are fully paid, have no par value, and carry one vote per share and a right to dividends as and when declared by the Company.

10 RELATED PARTY TRANSACTIONS

	2018
	\$
Management fees received/receivable from NetLink NBN Trust	<u>927,209</u>

11 FINANCIAL RISK MANAGEMENT

The main risks arising from the Company's financial instruments are credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

(a) Credit risk management

The carrying amount of trade receivable from a related party represent the Company's maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk. Cash is placed with a bank which is regulated and with high credit ratings.

(b) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company maintains sufficient cash and cash equivalents and internally generated cash flows to finance its activities.

(c) Foreign currency risk management

All the Company's transactions are transacted in Singapore Dollars. There is no significant foreign currency risk.

(d) Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern. The capital requirements of the capital structure of the Company consists of equity attributable to shareholders, comprising share capital and accumulated profits.

(e) Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Management has determined that the carrying amounts of trade receivable from a related party, and accrued operating expenses reasonably approximate their fair values because they are mostly short-term in nature.

12 COMPARATIVE FIGURES

There are no comparative figures as this is the first set of financial statements for the financial period from date of incorporation on 21 February 2017 to 31 March 2018.

13 AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements for the financial period ended 31 March 2018 were authorised for issue in accordance with a resolution of the Board of Directors on 14 May 2018.

NOTICE OF ANNUAL GENERAL MEETING

SINGAPORE NBN TRUST (also known as "TM Shares Trust")

(a trust constituted by a deed of trust dated 21 February 2017
with DBS Trustee Limited acting as Share Trustee)

DBS Trustee Limited (as share trustee of the TM Shares Trust) (the "Share Trustee") holds the shares of NetLink NBN Management Pte. Ltd. (being the trustee-manager of NetLink NBN Trust, the "Trustee-Manager") on trust for the benefit of the beneficiaries of the TM Shares Trust (being the unitholders of NetLink NBN Trust, the "Unitholders") pari passu, each of whom has an undivided interest in the Trustee-Manager in proportion to their respective percentage of units held or owned by each of them in NetLink NBN Trust. The deed constituting the TM Shares Trust entered into between the Share Trustee and the Trustee-Manager (the "TM Shares Trust Deed") provides that the Trustee-Manager agrees and undertakes to call and hold meetings and proceedings of the beneficiaries of the TM Shares Trust for the purposes of the TM Shares Trust Deed in accordance with the deed of trust constituting NetLink NBN Trust. The TM Shares Trust Deed also provides that all rights of voting conferred by the shares in the Trustee-Manager shall be exercised by the Share Trustee in accordance with the relevant resolutions passed by the Unitholders.

NOTICE IS HEREBY GIVEN that the First Annual General Meeting of Singapore NBN Trust will be held at Stephen Riady Auditorium, NTUC Centre, No. 1 Marina Boulevard, One Marina Boulevard, Level 7, Singapore 018989 on Wednesday, 25 July 2018 at 2.30 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of NetLink NBN Trust to be held at 2.00 p.m. on the same day and at the same place) to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Trustee-Manager for the financial period from 21 February 2017 (date of incorporation) to 31 March 2018 and the Independent Auditors' Report therein.
(Ordinary Resolution 1)
2. To approve the payment of Directors' fees of up to S\$1,017,500 for the financial year ending 31 March 2019, payable quarterly in arrears. (2018: up to \$820,000)
[See Explanatory Note 1] **(Ordinary Resolution 2)**
3. To re-appoint Deloitte & Touche LLP as Auditors of the Trustee-Manager to hold office until the conclusion of the next Annual General Meeting of the Trustee-Manager and to authorise the Directors of the Trustee-Manager to fix their remuneration.
(Ordinary Resolution 3)

The joint issue managers of the initial public offering and listing of NetLink NBN Trust were DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte., and UBS AG, Singapore Branch. The joint underwriters of the initial public offering and listing of NetLink NBN Trust were DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte., UBS AG, Singapore Branch, Merrill Lynch (Singapore) Pte. Ltd., Citigroup Global Markets Singapore Pte. Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Oversea-Chinese Banking Corporation Limited, and United Overseas Bank Limited. The joint issue managers and joint underwriters of the initial public offering assume no responsibility for the contents of this Notice.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

4. To re-elect Mr Chaly Mah Chee Kheong who will retire as Director of the Company and who, being eligible, will offer himself for re-election.

[See Explanatory Note 2]

(Ordinary Resolution 4)

5. To re-elect Ms Koh Kah Sek who will retire as Director of the Company and who, being eligible, will offer herself for re-election.

[See Explanatory Note 2]

(Ordinary Resolution 5)

6. To re-elect Mr Lang Tao Yih, Arthur who will retire as Director of the Company and who, being eligible, will offer himself for re-election.

[See Explanatory Note 2]

(Ordinary Resolution 6)

7. To transact any other ordinary business that may be properly transacted at an Annual General Meeting.

By Order of the Board

NetLink NBN Management Pte. Ltd.

(Company Registration Number: 201704783K)
(as Trustee-Manager of NetLink NBN Trust)

Lai Kuan Loong, Victor
Albert Lim Aik Seng
Company Secretaries

Singapore, 29 June 2018

With a copy to DBS Trustee Limited (as share trustee of Singapore NBN Trust)

EXPLANATORY NOTES:

- (1) Ordinary Resolution 2 is to endorse the payment of Directors' fees up to S\$1,017,500. Unitholders are conferred the right to endorse the payment of the Directors' fees to the Directors of the Trustee-Manager before the Share Trustee approves the payment of the Directors' fees at the Annual General Meeting of the Trustee-Manager.

Ordinary Resolution 2 will facilitate the payment of Directors' fees during the financial year ending 31 March 2019 in which the fees are to be incurred. The amount is computed based on the Director's fees framework as disclosed on page 52 in the Corporate Governance Report of NetLink NBN Trust and also caters for additional fees (if any) which may be payable due to additional Board or Board Committee members being appointed in the course of the financial year ending 31 March 2019. In the event that payments are required to be made to the Directors in excess of the amount proposed, approval will be sought at next year's Annual General Meeting before such payments are made.

- (2) Ordinary Resolutions 4, 5 and 6 are to endorse the re-election of Directors who are retiring by rotation. Unitholders are conferred the right to endorse the re-election of each Director before the Share Trustee approves the re-election at the Annual General Meeting of the Trustee-Manager.

Notwithstanding that the Constitution of the Trustee-Manager and the TM Shares Trust Deed do not provide for Directors of the Trustee-Manager to retire at each Annual General Meeting, it is the current intention of the Trustee-Manager that each Director of the Trustee-Manager shall retire from office at least once every three years and for this purpose, at each Annual General Meeting of the Trustee-Manager, one-third of the Directors for the time being shall retire from office by rotation and shall be eligible for re-election at that Annual General Meeting. This is also in line with Guideline 4.2 of the Code of Corporate Governance 2012.

Mr Chaly Mah Chee Kheong will, upon re-election as Director of the Trustee-Manager, continue to serve as Chairman of the Board, Chairman of the Nominating and Remuneration Committee and Member of the Risk and Regulatory Committee. Mr Chaly Mah Chee Kheong is an Independent Director.

Ms Koh Kah Sek will, upon re-election as Director of the Trustee-Manager, continue to serve as Chairman of the Audit Committee. Ms Koh Kah Sek is an Independent Director.

Mr Lang Tao Yih, Arthur will, upon re-election as Director of the Trustee-Manager, continue to serve as a Member of the Nominating and Remuneration Committee. Mr Lang Tao Yih, Arthur is a Non-Independent Director.

The profile for each of the retiring directors can be found on pages 36 to 38 in the Annual Report of NetLink NBN Trust.

NOTES:

1. A Unitholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder.
2. The instrument appointing a proxy or proxies must be deposited at the office of NetLink NBN Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time appointed for the Annual General Meeting.
3. A corporation, being a Unitholder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of Unitholders and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual, pursuant to the deed of trust constituting NetLink NBN Trust.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Trustee-Manager (or its agents or its service providers) for the purpose of the processing and administration by the Trustee-Manager (or its agents or its service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Trustee-Manager (or its agents or its service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Trustee-Manager (or its agents or its service providers), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Trustee-Manager (or its agents or its service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Trustee-Manager in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

PROXY FORM

SINGAPORE NBN TRUST

(a trust constituted by a deed of trust dated 21 February 2017 with DBS Trustee Limited acting as Share Trustee)

IMPORTANT:

- PLEASE READ THE NOTES TO THE PROXY FORM OVERLEAF.
- Coffee, tea and bottled water will be served at the AGM.

I/We, _____ NRIC/Passport No./Co. Reg. No. _____
of _____

as a beneficiary/beneficiaries of Singapore NBN Trust (being the unitholder/unitholders of NetLink NBN Trust, the "Unitholder"), hereby appoint:

Name	NRIC/Passport No.	Proportion of interest in Singapore NBN Trust [#]	
		No. of Units held in NetLink NBN Trust	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of interest in Singapore NBN Trust [#]	
		No. of Units held in NetLink NBN Trust	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Annual General Meeting ("AGM") of Singapore NBN Trust as my/our proxy/proxies to vote for me/us on my/our behalf at the AGM to be held at Stephen Riady Auditorium, NTUC Centre, No. 1 Marina Boulevard, One Marina Boulevard, Level 7, Singapore 018989 on Wednesday, 25 July 2018 at 2.30 p.m. (or as soon thereafter following the conclusion or adjournment of the AGM of NetLink NBN Trust to be held at 2.00 p.m. on the same day and at the same place) and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

No.	Resolutions relating to:	No. of Votes For*	No. of Votes Against*
ORDINARY BUSINESS			
1	To receive and adopt the Directors' Statement and the Audited Financial Statements of the Trustee-Manager for the financial period from 21 February 2017 (date of incorporation) to 31 March 2018 and the Independent Auditor's Report therein		
2	To approve the payment of Directors' fees of up to S\$1,017,500 to the Directors of the Trustee-Manager for the financial year ending 31 March 2019, payable quarterly in arrears		
3	To re-appoint Deloitte & Touche LLP as Auditors of the Trustee-Manager and authorise Directors of the Trustee-Manager to fix their remuneration		
SPECIAL BUSINESS			
4	To re-elect Mr Chaly Mah Chee Kheong as Director of the Trustee-Manager		
5	To re-elect Ms Koh Kah Sek as Director of the Trustee-Manager		
6	To re-elect Mr Lang Tao Yih, Arthur as Director of the Trustee-Manager		

* If you wish to exercise all your votes "For" or "Against", please tick (V) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2018

Signature of Unitholder(s) or Common Seal of Corporate Unitholder

Total number of Units in: NetLink NBN Trust	No. of Units
(a) CDP Register	
(b) Register of Unitholders	

[#] Under the deed of trust constituting Singapore NBN Trust, each holder of units in NetLink NBN Trust has an undivided interest in the shares of the Trustee-Manager in proportion to such holder's percentage of Units held or owned in NetLink NBN Trust. Accordingly, each holder of units in NetLink NBN Trust will have voting rights which are proportionate to his/her/its unitholding in NetLink NBN Trust.



Notes:

1. Please insert the total number of units in NetLink NBN Trust (“Units”) held by you. If you have Units entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Units. If you have Units registered in your name in the Register of Holders, you should insert that number of Units. If you have Units entered against your name in the Depository Register and Units registered in your name in the Register of Holders, you should insert the aggregate number of Units entered against your name in the Depository Register and registered in your name in the Register of Holders. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Units held by you.
2. A Unitholder of NetLink NBN Trust entitled to attend and vote at a meeting of Singapore NBN Trust is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder of NetLink NBN Trust.
3. Where a Unitholder appoints two proxies, he/she must specify the proportion of his/her unitholding (expressed as a percentage of the whole) to be represented by each proxy. Where a Unitholder appoints two proxies and does not specify the proportion of his/her unitholding to be represented by each proxy, then the Units held by the Unitholder are deemed to be equally divided between the proxies.
4. Completion and return of this instrument appointing a proxy shall not preclude a Unitholder from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the meeting in person, and in such event, the Trustee-Manager reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the AGM.
5. The instrument appointing a proxy or proxies must be deposited at the office of NetLink NBN Trust’s Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time appointed for the Meeting.

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6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid. No instrument appointing a proxy or proxies shall be valid after the expiration of 12 months from the date named in it as the date of its execution.
7. A corporation, being a Unitholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual, in accordance with the deed of trust constituting NetLink NBN Trust.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 29 June 2018.

GENERAL:

The Trustee-Manager shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Units entered in the Depository Register, the Trustee-Manager may reject any instrument appointing a proxy or proxies lodged if the Unitholder, being the appointor, is not shown to have Units entered against his name in the Depository Register as at 48 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Trustee-Manager.

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NetLink NBN Management Pte. Ltd.
(as Trustee-Manager of NetLink NBN Trust)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Glue all sides firmly

Glue all sides firmly

Glue all sides firmly