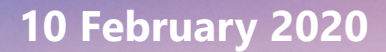




NetLinkNBN
the fibre of a smart nation



**Financial Results for the period
1 Oct to 31 Dec 2019 ("Q3 FY20")
and 1 Apr to 31 Dec 2019
("9M FY20")**



10 February 2020

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Financial snapshot¹

Revenue

S\$92m

▲ 2.9%²

Cash Balance

S\$83m

Market Cap³

S\$3,683m

EBITDA

S\$67m

▲ 7.4%²

Gross Debt

S\$636m

Enterprise Value

S\$4,236m

Profit After Tax

S\$22m

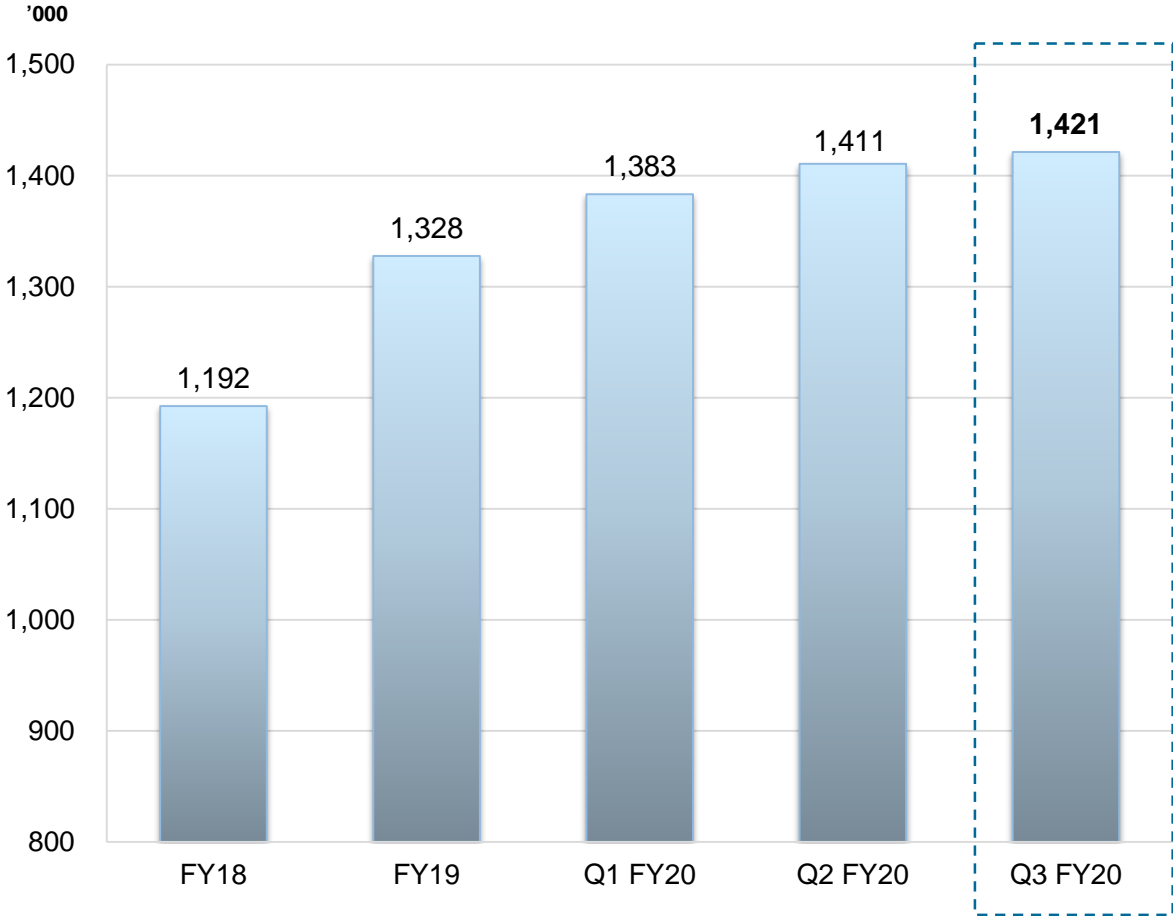
▲ 9.6%²

¹ Q3 FY20

² Variance versus Q3 FY19

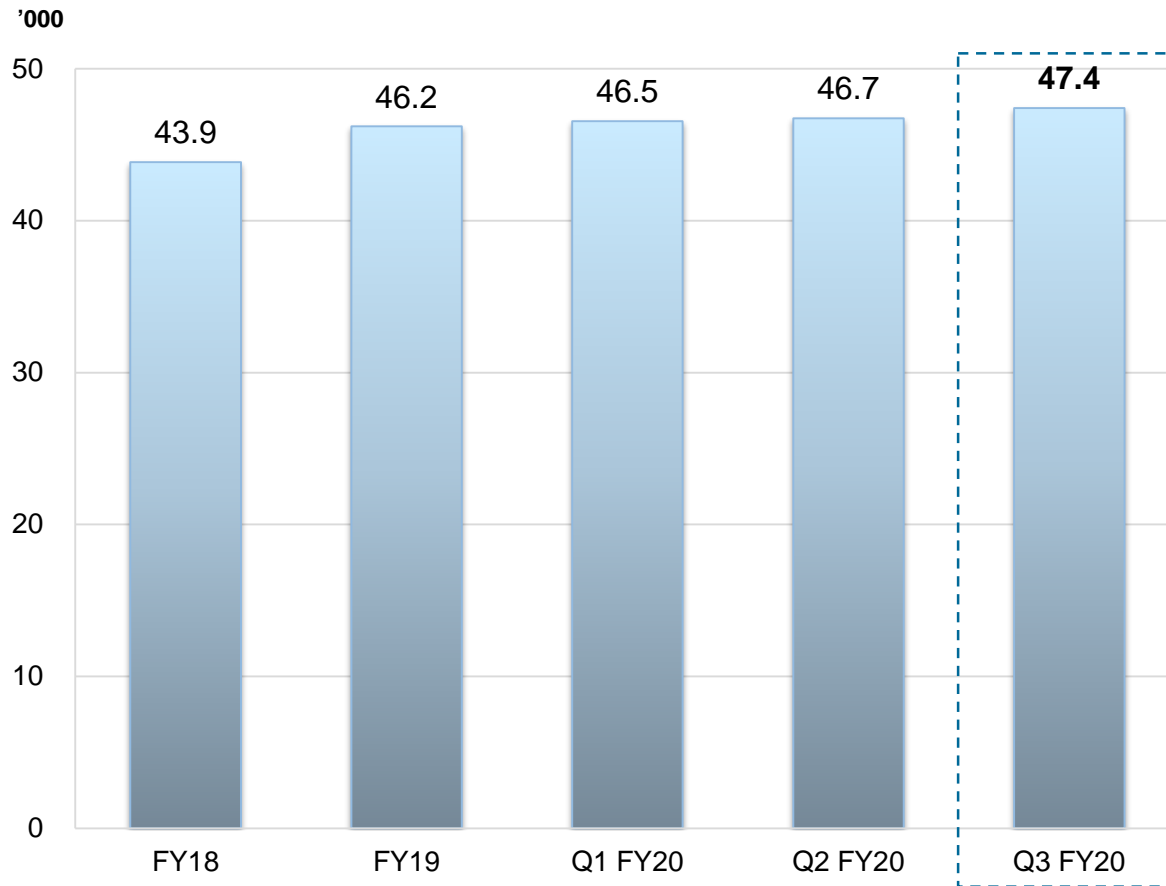
³ Based on the unit price of S\$0.945 as at 31 Dec 2019

Residential fibre connections



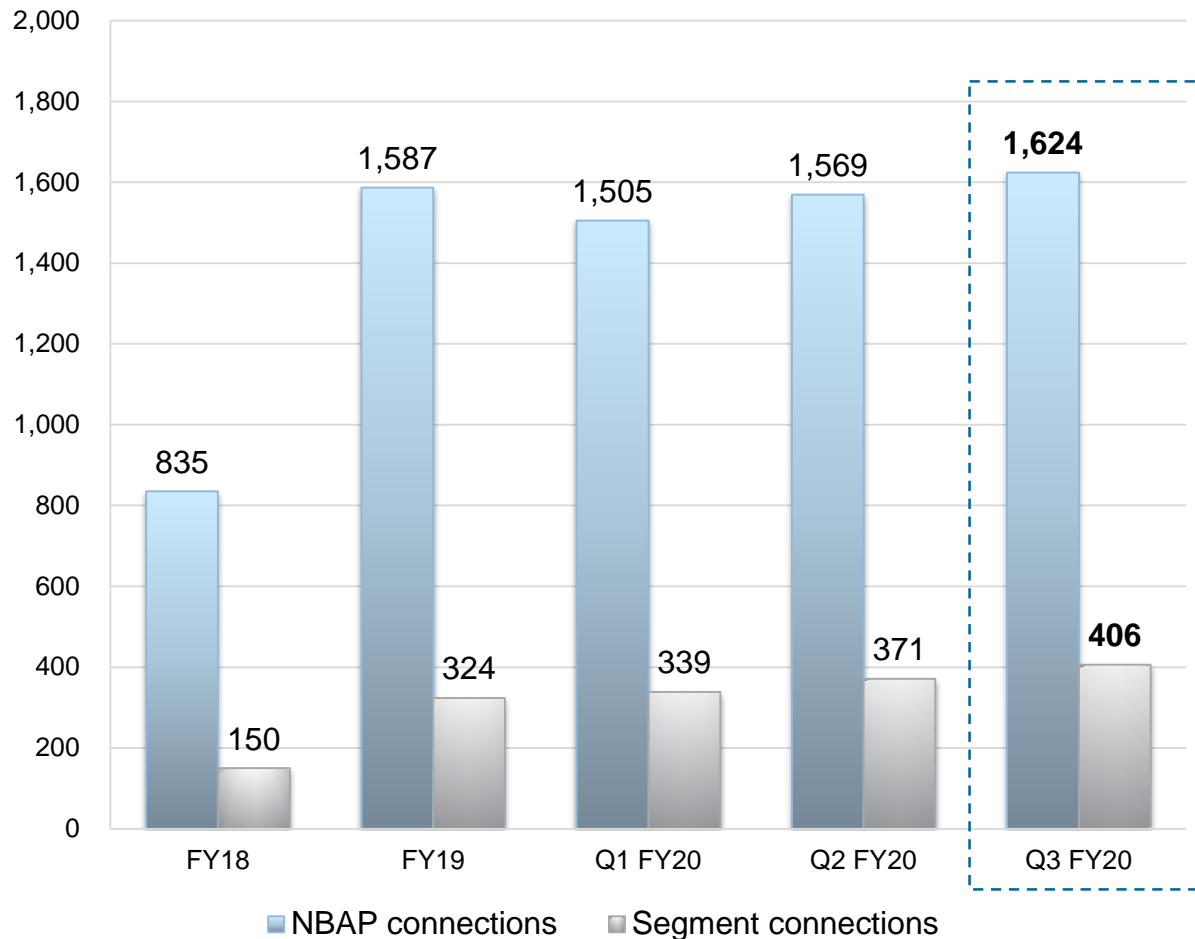
- 1.42m residential connections as at 31 Dec 2019
- Increased 0.8% since 30 Sep 2019

Non-residential fibre connections



- 47,408 non-residential connections as at 31 Dec 2019
- Increased 1.4% since 30 Sep 2019

Non-Building Address Point (“NBAP”) and Segment connections¹



- NBAP and Segment connections increased 3.5% and 9.4% respectively, since 30 Sep 2019.

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

Q3 FY20 Profit & loss statement

S\$'000	Q3 FY20	Q3 FY19	Variance (%)
Revenue	91,637	89,012	2.9
EBITDA	67,461	62,834	7.4
EBITDA margin (%)	73.6	70.6	3.0 pp
Depreciation & amortisation	(42,264)	(40,243)	5.0
Net finance charges	(4,696)	(4,485)	4.7
Profit before tax	20,501	18,106	13.2

Revenue grew by 2.9% mainly due to higher residential connections, partially offset by lower installation-related revenue, diversion revenue and ducts and manholes service revenue.

EBITDA margin of 73.6% was 3.0 pp higher partly due to the adoption of the SFRS(I) 16¹. Excluding the impact of SFRS(I) 16, EBITDA margin for Q3 FY20 would have been 72.8% or 2.2 pp higher compared to Q3 FY19.

¹ The NetLink Group has adopted a new accounting standard, Singapore Financial Reporting Standard (International) 16 – Leases (“SFRS(I) 16”), for the first time on 1 Apr 2019 using the modified retrospective approach. For more information, please refer to pages 9 to 11 of the Financial Statements Announcement for the third quarter ended 31 Dec 2019.

9M FY20 Profit & loss statement



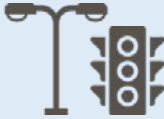





S\$'000	9M FY20	9M FY19	Variance (%)
Revenue	277,750	265,717	4.5
EBITDA	202,647	185,065	9.5
EBITDA margin (%)	73.0	69.6	3.4 pp
Depreciation & amortisation	(126,085)	(120,049)	5.0
Net finance charges	(13,873)	(12,969)	7.0
Profit before tax	62,689	52,047	20.4

Revenue grew by 4.5% mainly due to higher residential connections, non-residential connections and Central Office revenue, partially offset by lower ducts and manholes service and diversion revenue.

EBITDA margin of 73.0% was 3.4 pp higher partly due to the adoption of the SFRS(I) 16¹. Excluding the impact of SFRS(I) 16, EBITDA margin for 9M FY20 would have been 72.1% or 2.5 pp higher compared to 9M FY19.

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A resilient business model

	RAB Revenue				Non-RAB Revenue			
								
	Residential Connections	Non-Residential Connections	NBAP and Segment Fibre Connections	Ducts and Manholes Service Revenue	Installation Related Revenue	Diversion Revenue	Co-Location and Other Revenue	Central Office Revenue
% of Q3 FY20 Revenue	64.1%	8.6%	2.0%	8.1%	4.8%	1.4%	5.7%	5.3%
Recurring, predictable cash flows	✓	✓	✓	✓	–	–	✓	✓
Long-term contracts / customer stability	✓	✓	✓	✓	–	–	✓	✓
Regulated revenues	✓	✓	✓	✓	✓	–	✓	–
Creditworthy customers	✓	✓	✓	✓	✓	✓	✓	✓

Robust balance sheet¹

S\$83m

Cash Balance

S\$636m

Gross Debt

S\$2,897m

Net Assets

2.4x

Gross Debt/
EBITDA²

13.7x

EBITDA Interest
Cover²

74.4 cents

Net Assets per Unit

- Interest rate exposure fully hedged
- Stable capital structure with debt headroom to fund future capex

¹ As at 31 Dec 2019

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

Our focus for FY20



Residential

- Migration of cable end-users to fibre
- Residential homes not on fibre
- New households



Non-Residential

- Partnership with Requesting Licensees
- Serving Enterprises and Government Agencies with a focus on SMEs



NBAP & Segment

- Denser network – adding capacity, flexibility and resilience
- New product offerings
- Prepare to support 5G infrastructure

Thank You

Investors and Media

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