

17 August 2023

**Analyst update for the period
1 Apr to 30 Jun 2023
("Q1 FY24")**

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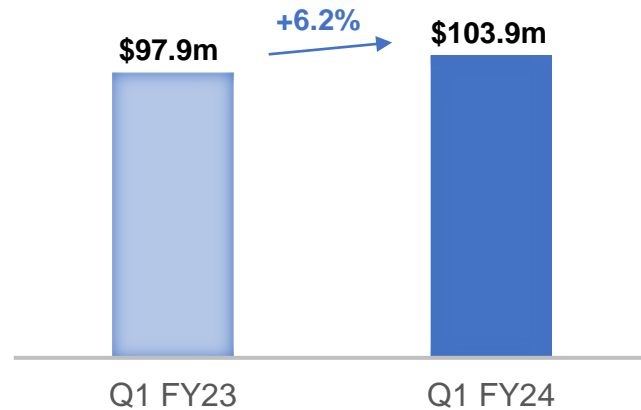
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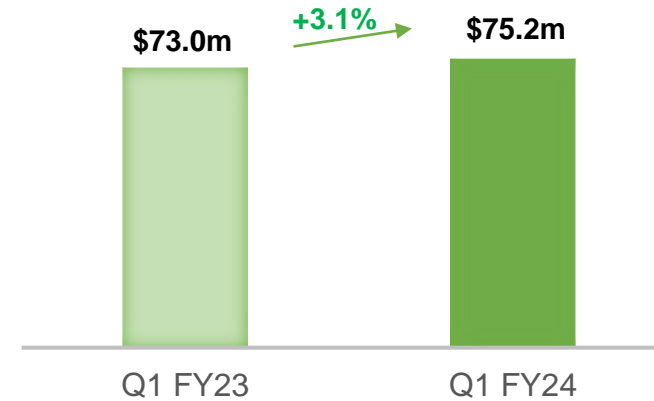
EBITDA is a non-SFRS financial measure and represents operating profit before depreciation and amortisation expense, net finance costs and income tax expense. EBITDA and EBITDA margin are supplemental financial measures of the NetLink Group’s performance and liquidity, and are not required by, or presented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

Q1 FY24 Financial highlights

REVENUE



EBITDA



NET GEARING

23.6%
Comfortable debt headroom

WEIGHTED AVERAGE DEBT MATURITY

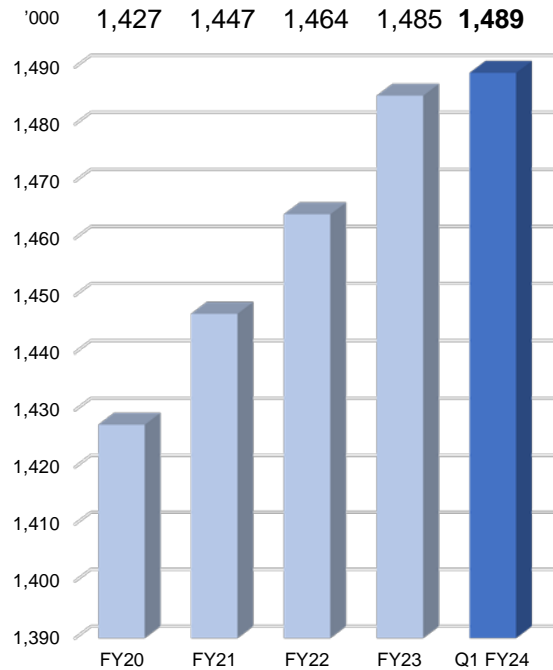
3.2 years

MARKET CAPITALISATION

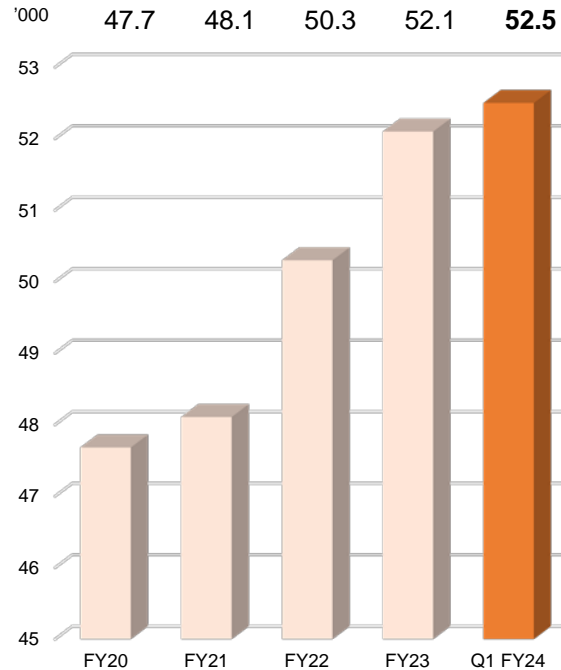
\$3.3 billion
Unit price of \$0.855 as at
30 Jun 2023

Fibre connections

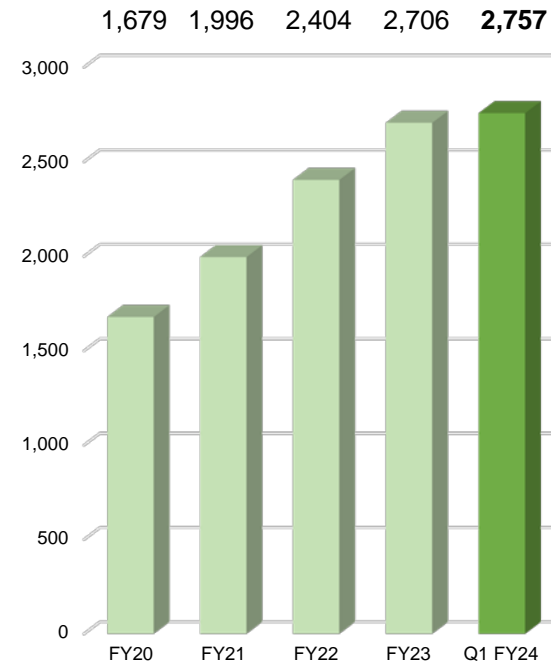
Residential



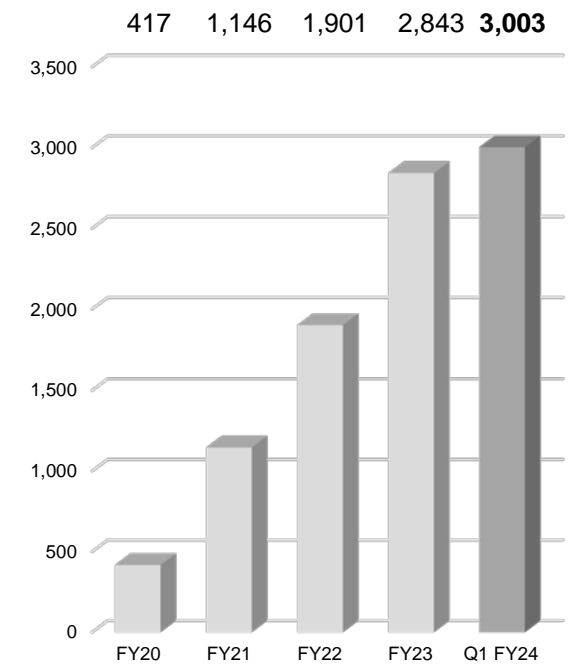
Non-Residential



Non-Building Address Points



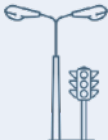







Segment⁽¹⁾



⁽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 Q1 FY24 Revenue	59.2%	7.9%	4.5%	6.5%	5.3%	6.7%	5.4%	4.5%
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. Provide expertise and infrastructure to support the upgrade of the NBN**
- 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**

Q1 FY24 Profit & loss statement

\$'000	Q1 FY24	Q1 FY23	Variance (%)
Revenue	103,935	97,892	6.2
EBITDA	75,221	72,962	3.1
EBITDA Margin (%)	72.4	74.5	(2.1) pp
Depreciation and amortisation	(43,149)	(42,336)	1.9
Net finance charges	(4,575)	(3,320)	37.8
Profit after tax	28,241	27,647	2.1

Revenue for Q1 FY24 was higher by \$6.0 million compared to Q1 FY23.

- \$4.1 million from Non-RAB revenue, mainly contributed by more ancillary projects
- \$1.9 million from RAB revenue on the back of higher residential, non-residential, NBAP and Segment orders.

EBITDA was \$2.3 million higher as a result of higher revenue offset by higher operating costs.

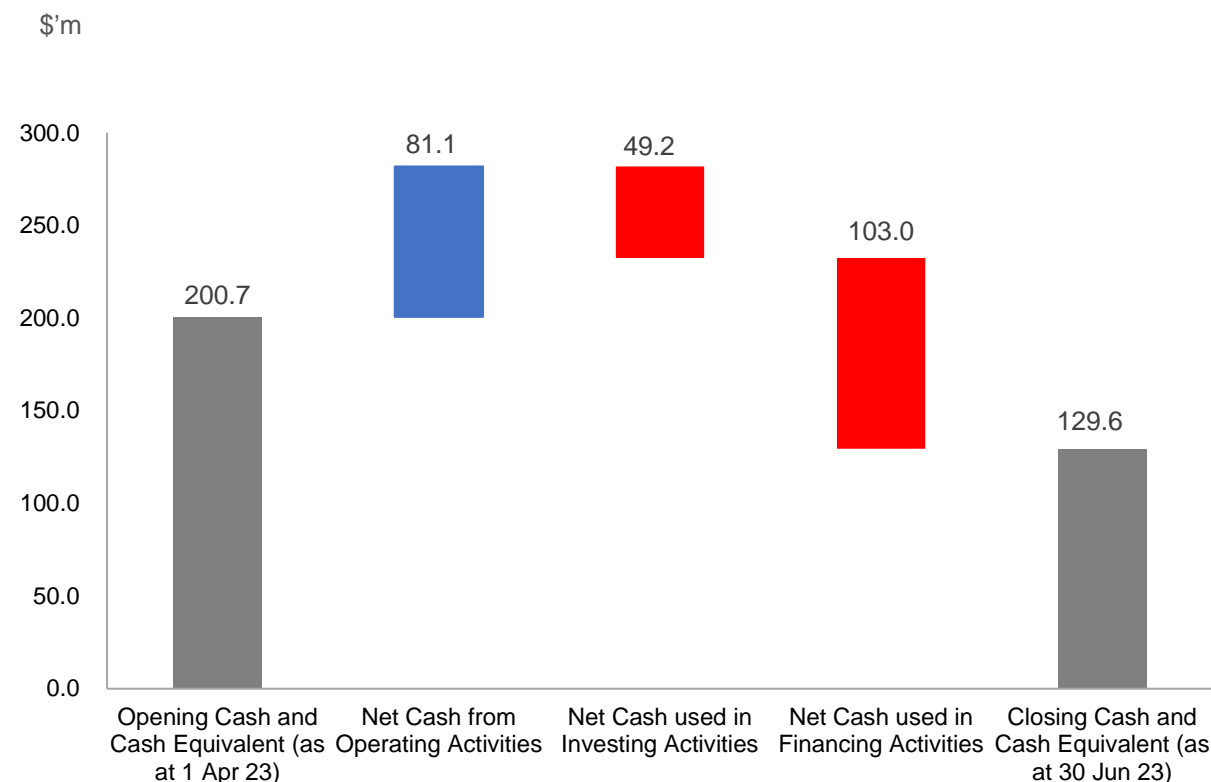
PAT improved by \$0.6 million as a result of higher EBITDA offset by higher interest and depreciation.

Credit metrics and cash flow

	Jun 2023	Mar 2023
Gross Debt	\$735m	\$735m
Weighted average debt duration	3.2yrs	3.4yrs
Net debt/EBITDA ⁽¹⁾	2.0x	1.8x
EBITDA Interest cover ⁽¹⁾	16.8x	18.6x
Borrowings at Fixed Rate	69.4%	69.4%
	Q1 FY24	Q1 FY23
Effective average interest rate	2.6%	1.8%

⁽¹⁾ Ratios calculated based on NetLink Group's trailing 12 months financial

- Debt interest rate substantially hedged
- Strong capital structure with debt headroom to fund future capex



- Strong cash flow generated from operations
- Net Cash used in Financing Activities pertained to distribution paid on 13 June 2023



Thank you

Investors and Media

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