

6 February 2024

**Analyst update for the period
1 Apr to 31 Dec 2023
("9M FY24")**

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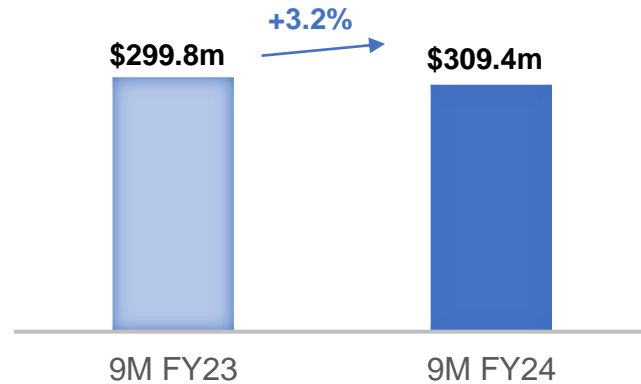
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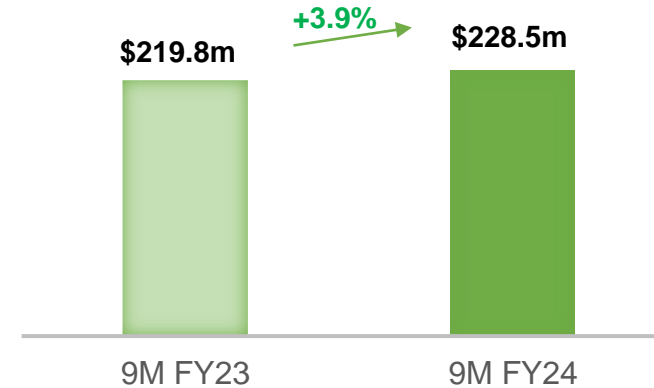
EBITDA is a non-SFRS financial measure and represents operating profit before depreciation and amortisation expense, net finance costs and income tax expense. EBITDA and EBITDA margin are supplemental financial measures of the NetLink Group’s performance and liquidity, and are not required by, or presented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

9M FY24 Financial highlights

REVENUE



EBITDA



NET GEARING

24.3%
Comfortable debt headroom

WEIGHTED AVERAGE DEBT MATURITY

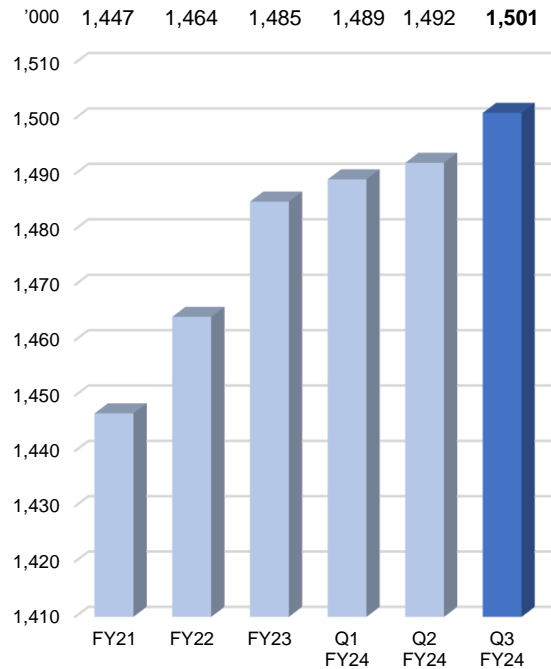
2.7 years

MARKET CAPITALISATION

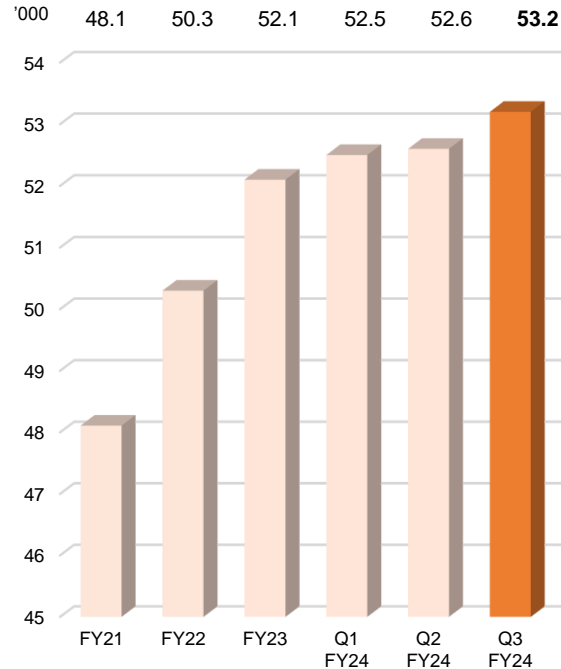
\$3.3 billion
Unit price of \$0.840 as at
31 Dec 2023

Fibre connections

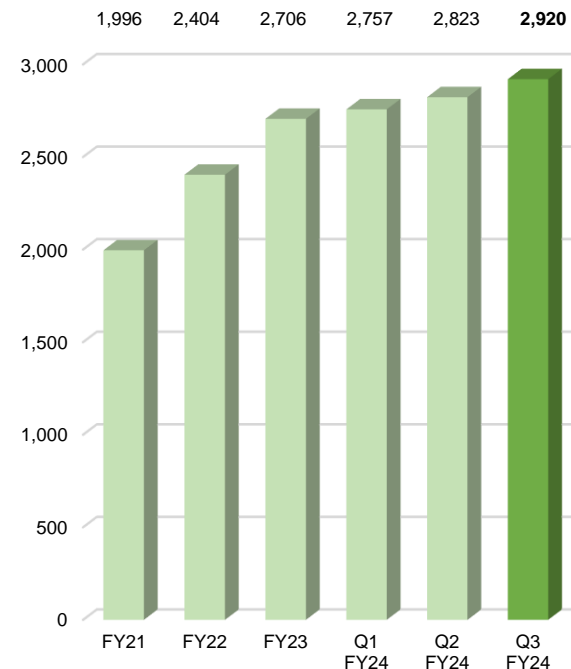
Residential



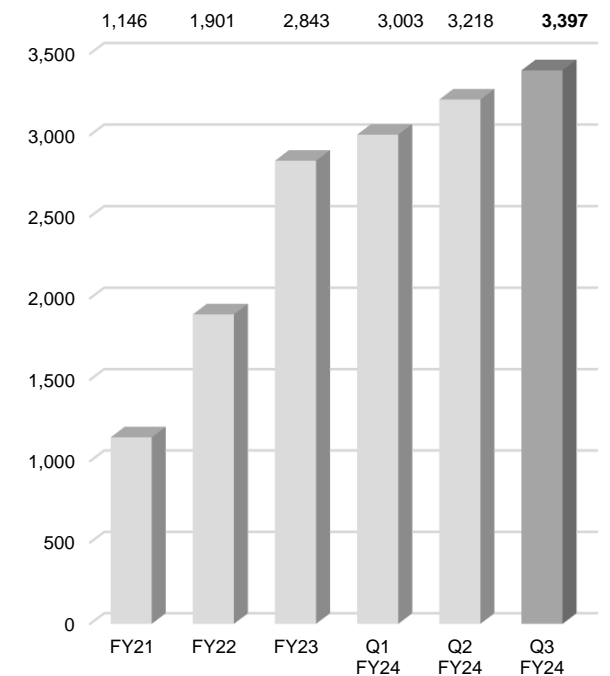
Non-Residential



Non-Building Address Points



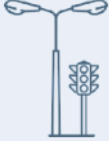







Segment⁽¹⁾



⁽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	 Co-Location Revenue	 Central Office Revenue	 Installation Related & Other Revenue	 Ancillary Project Revenue
	RAB REVENUE ⁽¹⁾					NON-RAB REVENUE		
% of 9M FY24 Revenue	59.9%	8.1%	4.7%	6.6%	4.7%	4.0%	6.2%	5.8%
Recurring, predictable cash flows	✓	✓	✓	✓	✓	✓	-	-
Long-term contracts / customer stability	✓	✓	✓	✓	✓	✓	-	-
Regulated revenues	✓	✓	✓	✓	✓	-	✓	-
Creditworthy customers	✓	✓	✓	✓	✓	✓	✓	✓

⁽¹⁾ These services are subject to IMDA's price review framework.

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**

9M FY24 Profit or loss statement

\$'000	9M FY24	9M FY23	Variance (%)
Revenue	309,447	299,843	3.2
EBITDA	228,474	219,839	3.9
EBITDA Margin (%)	73.8%	73.3%	0.5 pp
Depreciation and amortisation	(129,637)	(127,270)	1.9
Net finance costs	(13,810)	(11,246)	22.8
Profit after tax	85,106	81,798	4.0

Revenue for 9M FY24 was higher by \$9.6 million compared to 9M FY23.

- \$5.7 million from RAB revenue on the back of higher residential, non-residential, NBAP and Segment orders
- \$3.9 million from Non-RAB revenue, mainly contributed by higher installation-related revenue

EBITDA was \$8.6 million higher mainly due to higher revenue and a one-off reversal of operating costs following a resolution of disputed power charges.

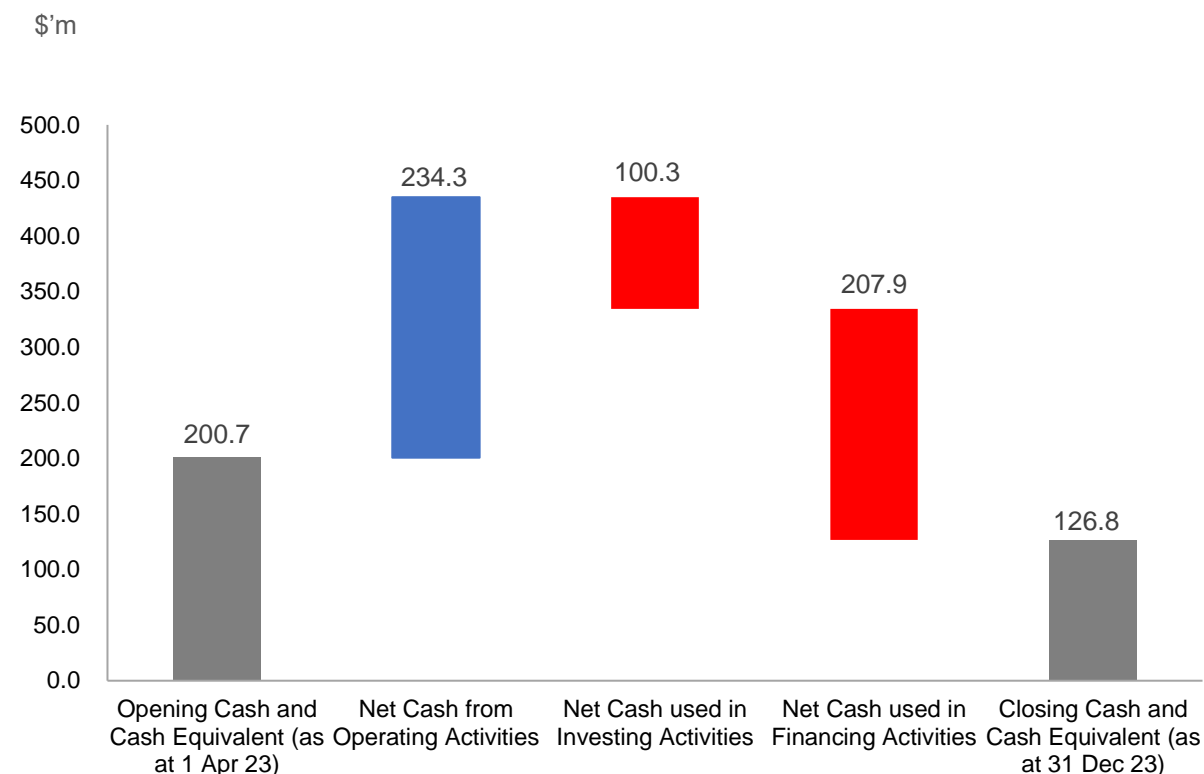
PAT increased by \$3.3 million as a result of higher EBITDA offset by higher net finance cost, depreciation, and income tax expenses.

Credit metrics and cash flow

	Dec 2023	Mar 2023
Gross Debt	\$735m	\$735m
Weighted average debt duration	2.7yrs	3.4yrs
Net debt/EBITDA ⁽¹⁾	2.0x	1.8x
EBITDA Interest cover ⁽¹⁾	15.2x	18.6x
Borrowings at Fixed Rate	69.4%	69.4%
	9M FY24	9M FY23
Effective average interest rate	2.64%	2.03%

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

- Interest rate exposure is 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 and 30 Nov 2023



Thank you

Investors and Media

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