



# NetLinkNBN

*the fibre of a smart nation*

## Financial Results for the period 1 Oct 2017 to 31 Dec 2017 ("Q3 FY18")

5 February 2018

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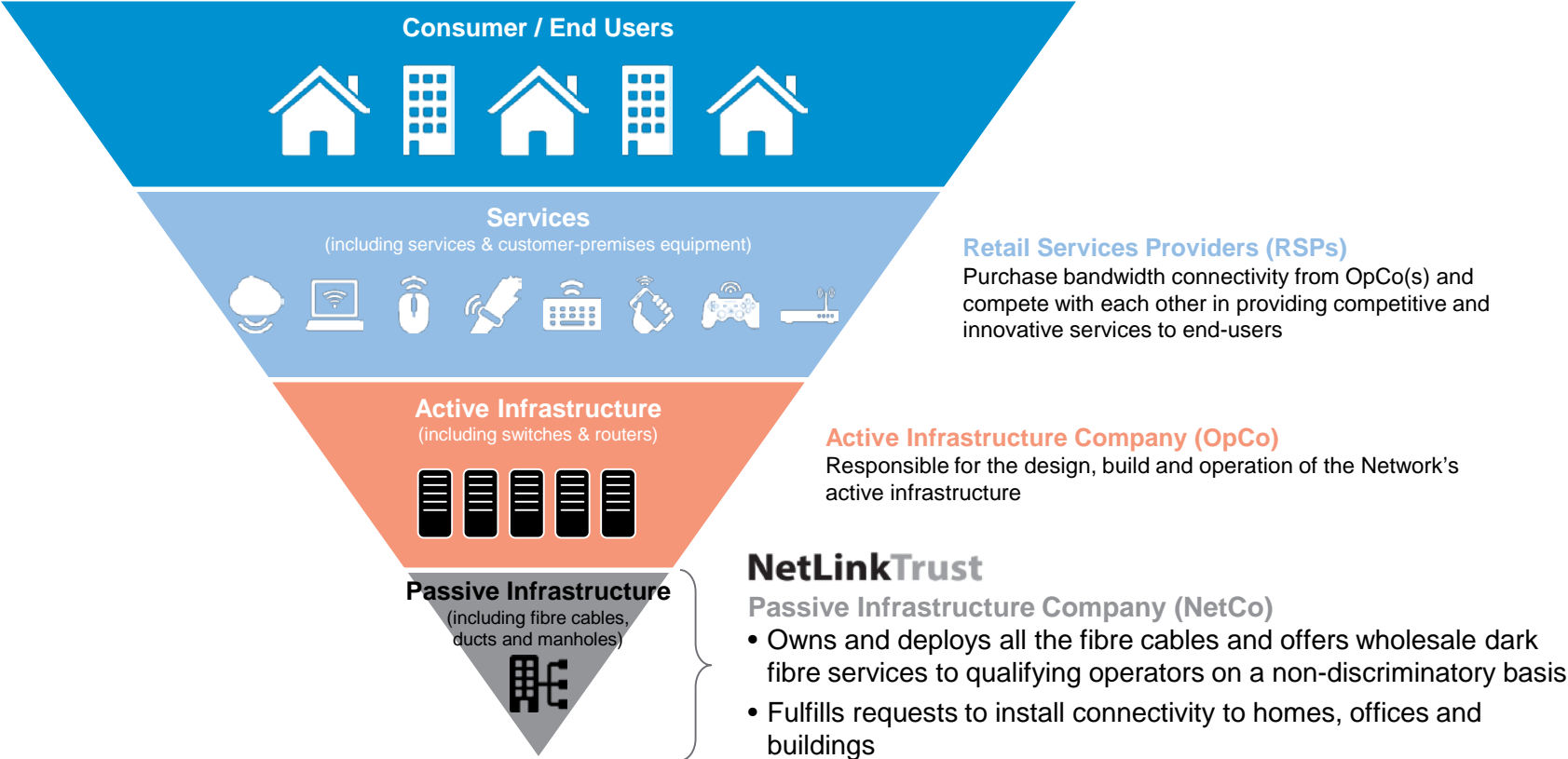
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# Next Gen NBN industry structure

The Next Gen NBN industry comprises three distinct layers to ensure open access to the Next Gen NBN for all participants



The Trust Group's nationwide network is the foundation of the Next Gen NBN

Sole appointed "Network Company" for Singapore's Next Gen NBN



# The Trust Group's nationwide network coverage

## An ubiquitous and hard-to-replicate network <sup>(1)</sup>



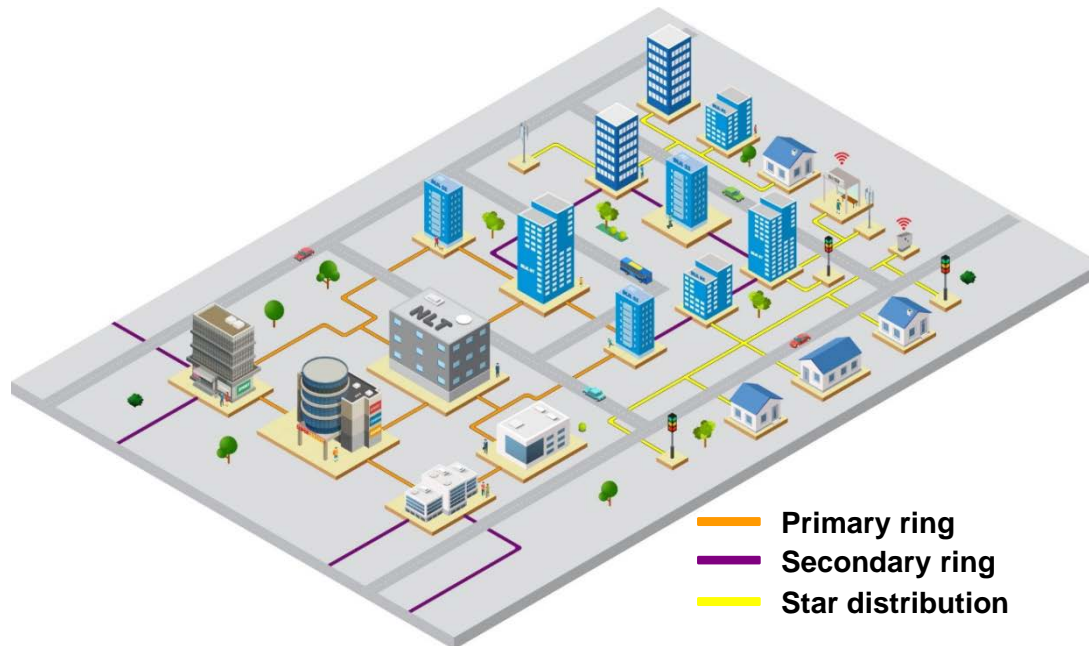
**~76,000 km <sup>(2)</sup> of  
Fibre Cables**

**~16,200km <sup>(2)</sup>  
of Ducts**



**~62,000 <sup>(2)</sup>  
Manholes**

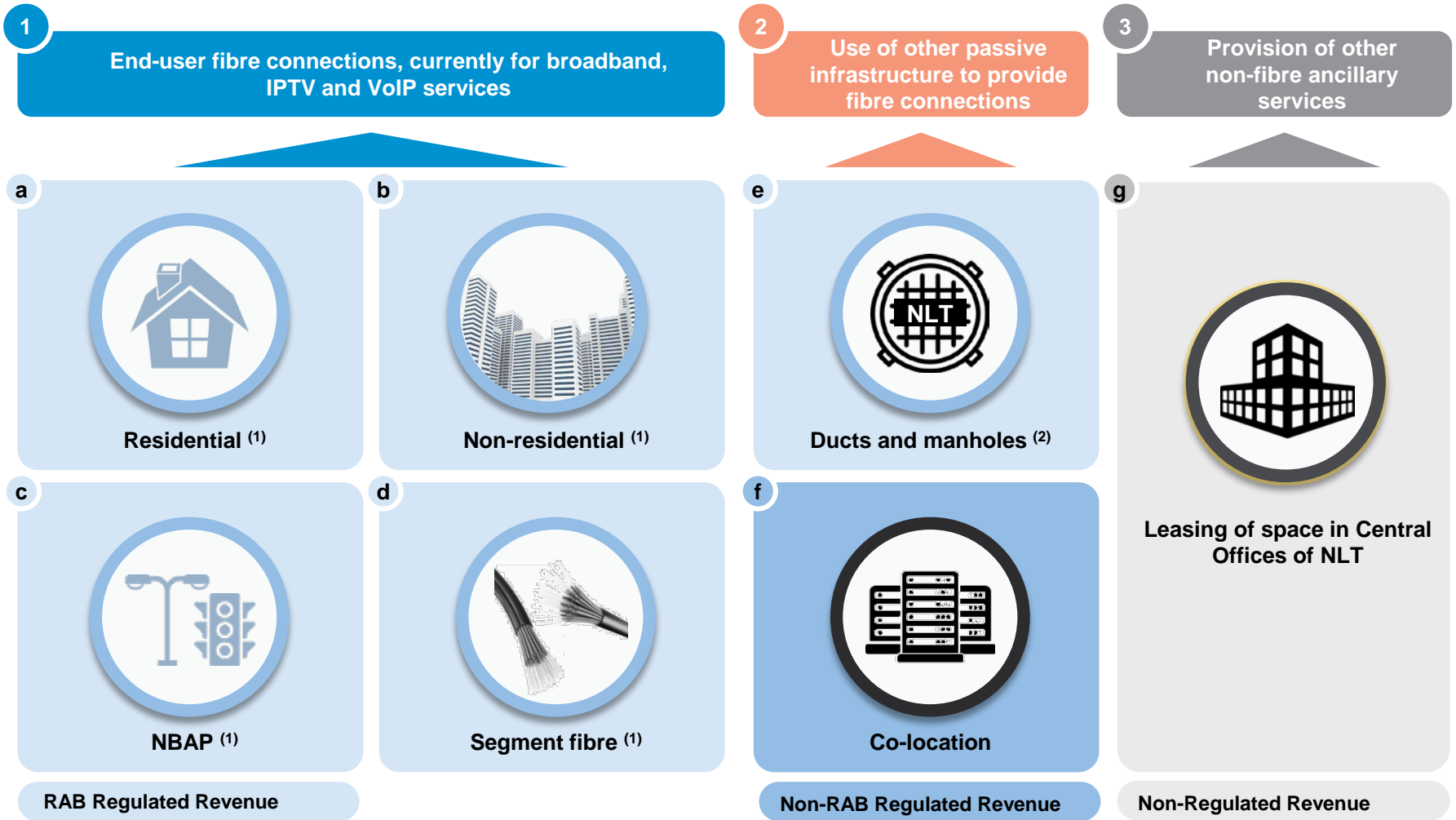
**10 <sup>(2)</sup> Central  
Offices**



1. According to Media Partners Asia (MPA)

2. As of 31 Mar 2017

# Scope of services provided by the Trust Group

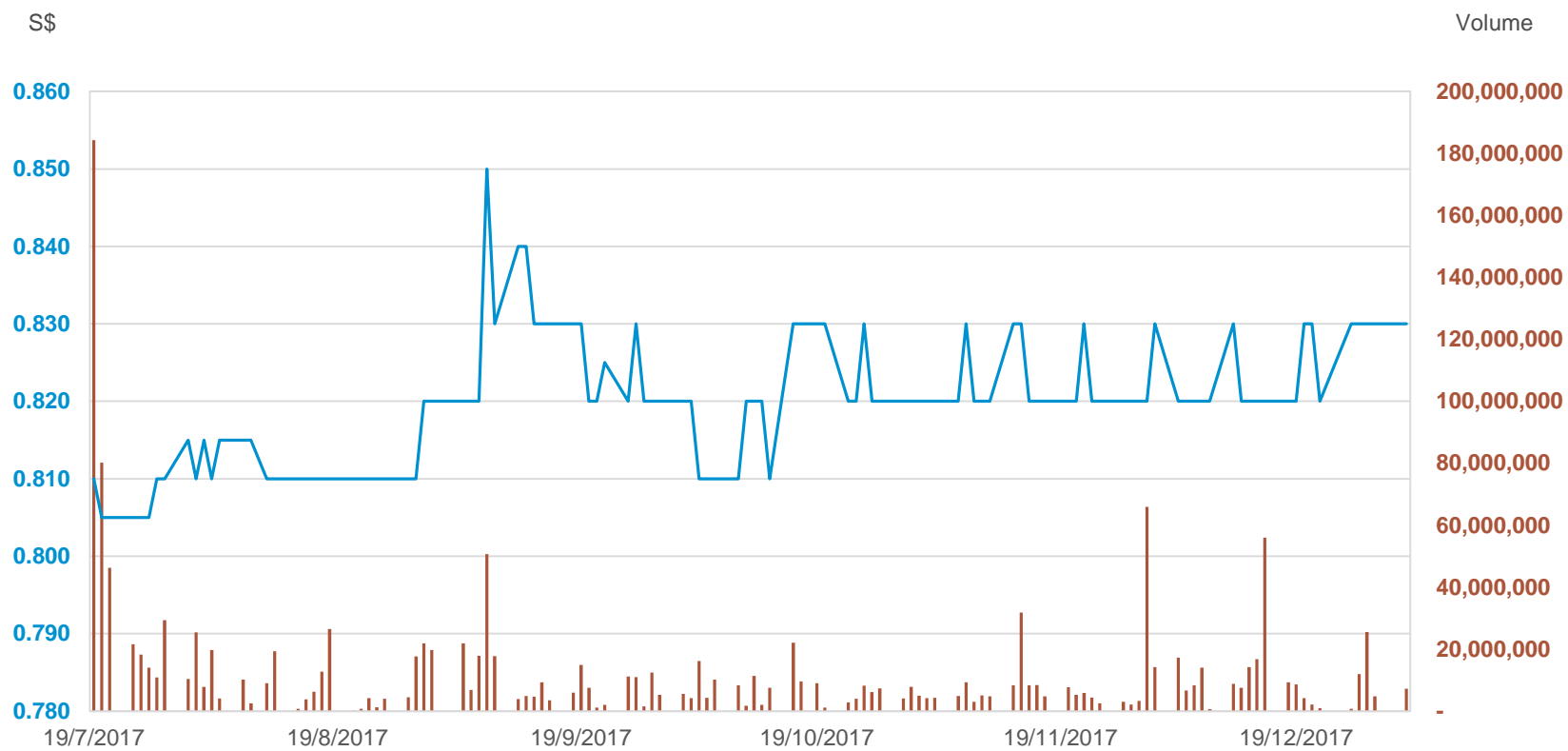


1. From ICO  
 2. From Ducts and Manhole Service Agreement / RAO

# Unit overview

Listing Date	19 July 2017
SGX Code	CJLU
Total No. of Units	3,896,971,100

Closing Unit Price (as at 31 Dec 2017)	S\$0.83
Market capitalization (as at 31 Dec 2017)	S\$3.23 billion



# Analyst coverage

## Research House

Bank of America, Merrill Lunch

HSBC Bank

Citibank

Morgan Stanley

Daiwa Capital Markets

UBS

DBS

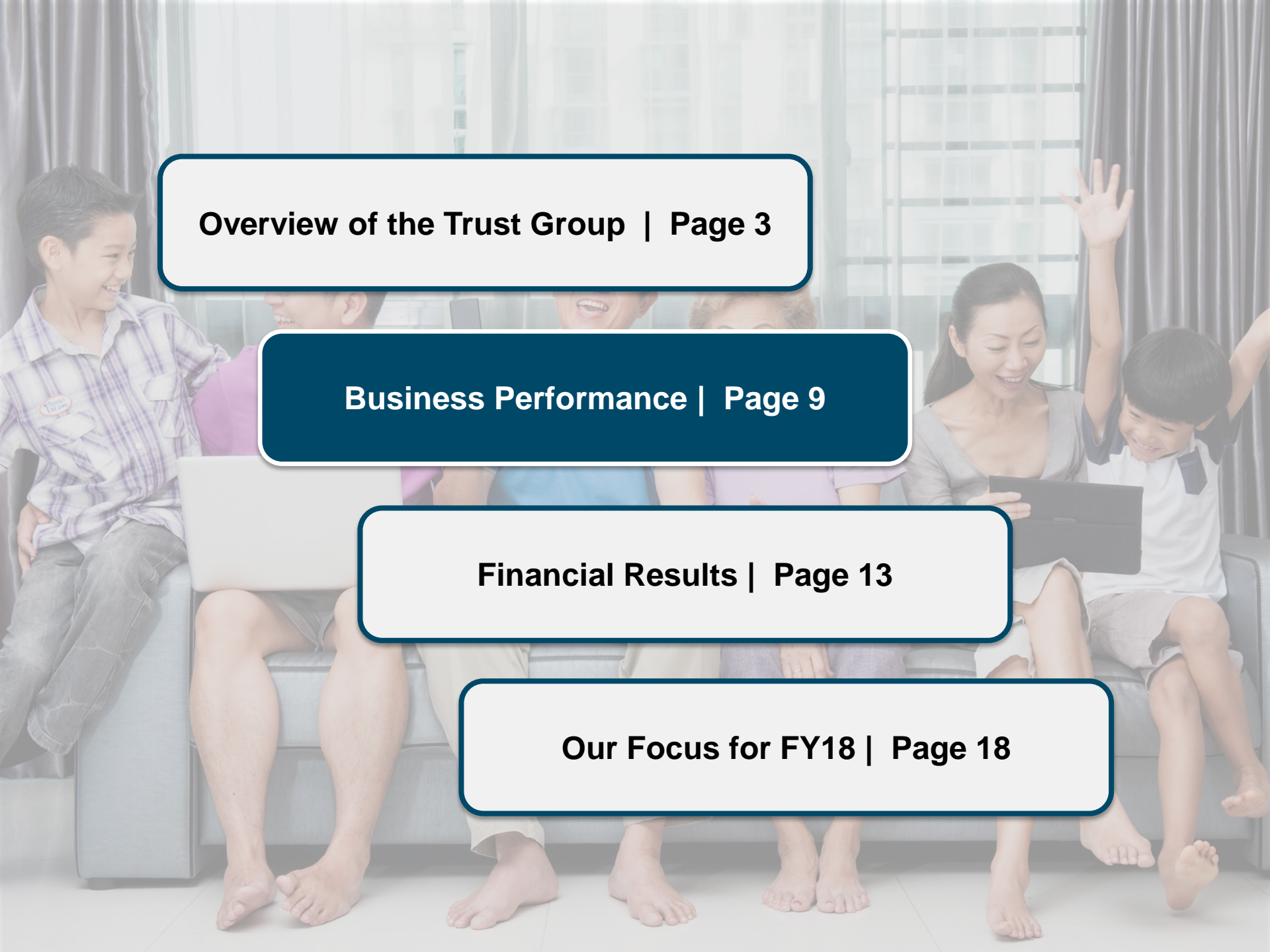
New Street Research

Deutsche Bank

UOB Kay Hian

Goldman Sachs





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# Fibre connections

(As at 31 Dec 2017)



## Residential

**1,474,069**

Home Passed

**1,337,919**

Home Reached

**1,165,028**

End-Users



## Non-Residential

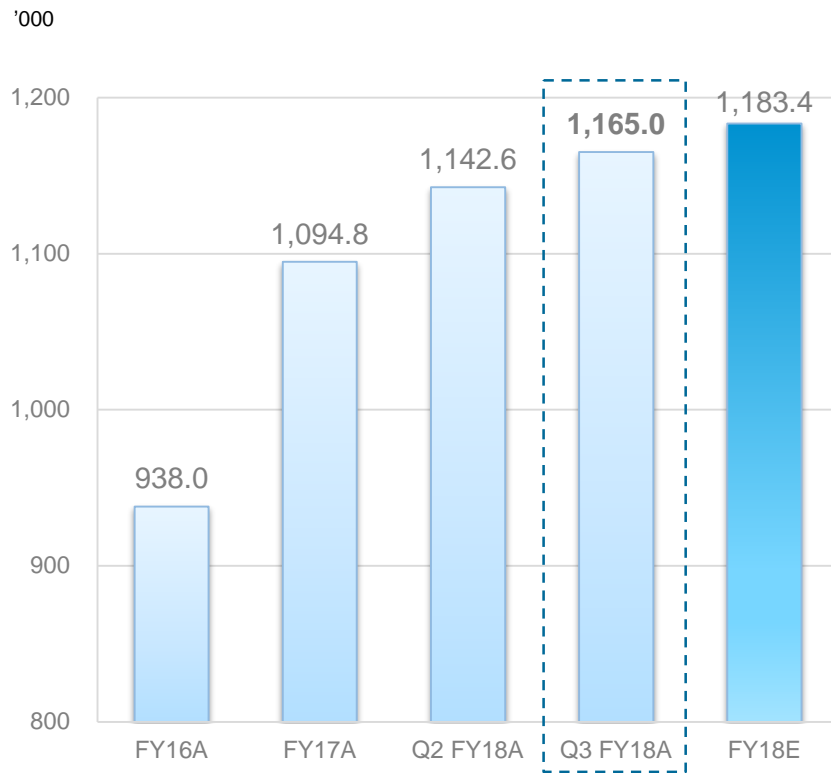
**31,183**

Building Reached

**43,228**

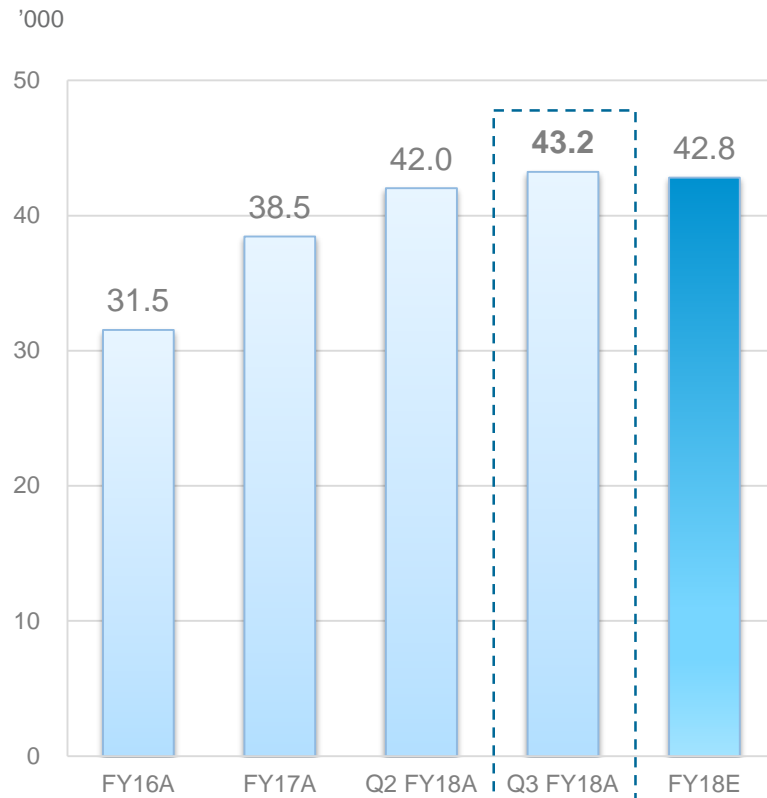
End-Users

# Residential fibre connections



- 1.17m residential connections as at 31 Dec 2017
- Residential connections continued to grow steadily.

# Non-residential fibre connections



- 43,228 non-residential connections as at 31 Dec 2017
- Continue to support RLs to acquire new corporate customers



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# Results highlights

(Financial Period 1 Oct 2017 to 31 Dec 2017) <sup>(1)</sup>

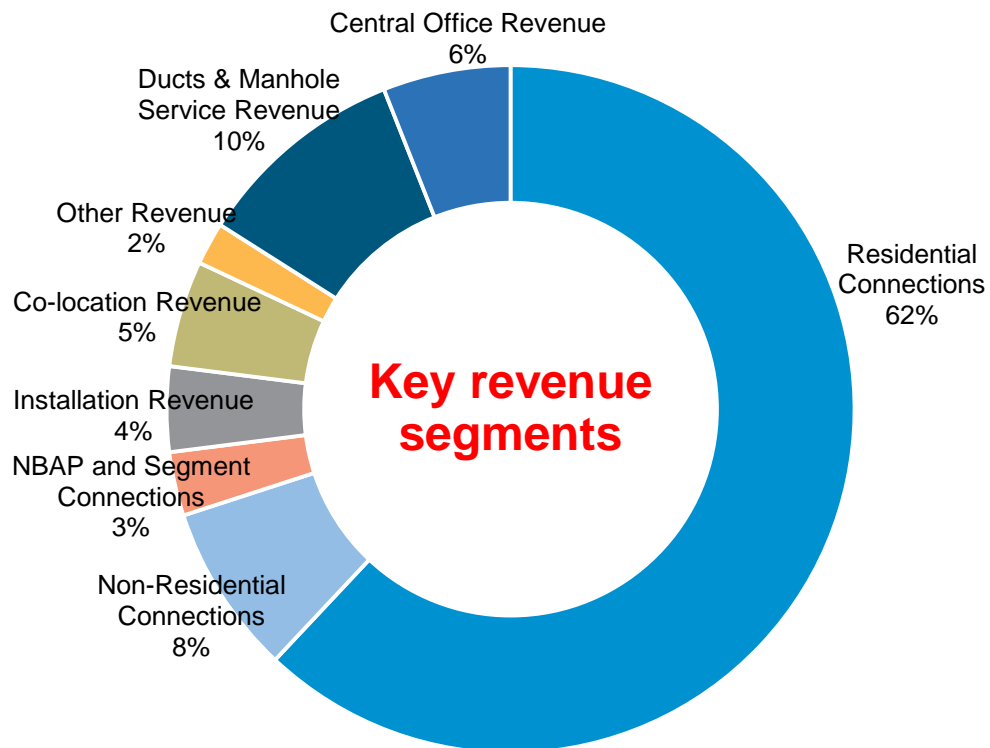
**Revenue** **S\$83.4 million**

**EBITDA <sup>(2)</sup>** **S\$63.2 million**

**EBITDA Margin** **75.7%**

**Cash** **S\$128.8 million**

**Debt/EBITDA <sup>(3)</sup>** **2.2x**



<sup>(1)</sup> No comparative Consolidated Statement of Profit or Loss and Other Comprehensive Income has been prepared as the Trust was constituted on 19 Jun 2017. Although NetLink NBN Trust was constituted on 19 Jun 2017, there were no operating activities until the acquisition of NetLink Trust, which was completed on the Listing Date on 19 Jul 2017.

<sup>(2)</sup> EBITDA is a non-SFRS financial measure and represents operating profit before depreciation and amortization expense, net finance cost and income tax expense. EBITDA is not a measure of financial performance or liquidity, and should not be considered as alternatives to net income, operating profit or any other performance measures.

<sup>(3)</sup> Debt/EBITDA ratio is calculated based on NetLink Trust Group's trailing 12-month financials



# Profit & loss statement

## Financial Performance Q3 FY18 (S\$'000)

	Actual <sup>(1)</sup>	Forecast <sup>(2)</sup>	Variance (%)
Revenue	83,417	82,905	0.6
<b>EBITDA</b>	<b>63,159</b>	<b>57,006</b>	<b>10.8</b>
EBITDA margin (%)	75.7%	68.8%	
Depreciation & amortisation	(39,039)	(38,747)	(0.8)
Net finance charges	(4,164)	(4,470)	6.8
<b>Profit before tax</b>	<b>19,956</b>	<b>13,789</b>	<b>44.7</b>
Income tax credit	1,714	2,571	(33.3)
<b>Profit after tax</b>	<b>21,670</b>	<b>16,360</b>	<b>32.5</b>

<sup>(1)</sup> No comparative Consolidated Statement of Profit or Loss. Although NetLink NBN Trust was constituted on 19 Jun 2017, there were no operating activities until the acquisition of NetLink Trust, which was completed on the Listing Date on 19 Jul 2017.

<sup>(2)</sup> Forecast results for the period included Oct 2017 - Dec 2017 figures that were part of the Forecast Period 2018 projections disclosed in the Prospectus.

## Profit & loss (variance against forecast)

Revenue  
increased  
0.6%

Revenue was higher than forecast mainly due to higher monthly recurring Residential and Non-Residential connection revenue, higher Ducts & Manhole Services revenue and Central Office revenue. This was partially offset by lower installation revenue from a decrease in demand for installation of fibre termination points (FTP) in the residential homes and the installation of FTPs for NBAPs.

EBITDA  
increased  
10.8%

EBITDA was ahead of forecast mainly due to lower operation and maintenance costs, staff costs as well as other operating expenses.

EBITDA  
Margin

EBITDA Margin was 75.7%, 6.9 percentage points better than the forecast of 68.8%.

## Balance sheet

**Cash balance** **S\$129 million**

Net debt S\$591 million

**Net assets** **S\$3,152 million**

Debt / EBITDA<sup>(1)</sup> 2.2x

**EBITDA interest cover <sup>(1)</sup>** **8.0x**

Net assets per unit <sup>(2)</sup> S\$0.81

<sup>(1)</sup> Ratios calculated based on NetLink Trust Group's trailing 12-month financials

<sup>(2)</sup> Net assets per unit represents equity divided by total number of units (3,896,971,100)



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## Our focus for FY18

- Deliver the financial performance and distribution forecast as stated in the Prospectus.
- Utilising the Hougang Central Office to serve new housing estates in Sengkang and Punggol.
- Continuing to expand our network in new housing estates, e.g. Tengah estate.
- Supporting the RLs' efforts to acquire new corporate and NBAP customers.
- Supporting Smart Nation initiatives and the fourth mobile telecommunication operator in its mobile network backhaul deployment.

# Thank You

Investors and Media

Mr. Victor Chan  
investor@netlinknbn.com