



NetLinkNBN

the fibre of a smart nation

**Financial Results for the period
1 Jul to 30 Sep 2018 (“Q2 FY19”)
and 1 Apr to 30 Sep 2018
(“H1 FY19”)**

2 November 2018

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Overview

Key Highlights

- **Sole appointed “Network Company” for Singapore's Next Gen NBN**
- **Resilient business model generates long-term, predictable cash flows through:**
 - **Growing demand for fibre connections**
 - **Regulated and transparent pricing**
 - **Creditworthy customers**
- **“Future-proof” fibre infrastructure**
- **Strong balance sheet to support growth**
- **Constituent of FTSE ST Large & Mid Cap Index, FTSE ST Singapore Shariah Index and the MSCI Global Small Cap – Singapore Index**

Financial Snapshot

\$m	H1 FY19	Variance vs Projection ⁽¹⁾
Revenue	176.7	↑ 4.8%
EBITDA	122.2	↑ 3.8%
EBITDA Margin	69.2%	↓ 0.6 p.p
Profit After Tax	37.7	↑ 21.4%

\$m	As at 30 Sep 2018
Market Capitalisation ⁽²⁾	3,040
Enterprise Value ⁽²⁾	3,523
Net Assets	3,088
NAV per unit (Cents)	79.2

(1) Projection for H1 was part of the Projection Year 2019's projection disclosed in the prospectus dated 10 Jul 2017.

(2) Based on the unit price of \$0.78 as at 28 Sep 2018.

Fibre connections

(As at 30 Sep 2018)



Residential

1,495,811

Home Passed

1,360,848

Home Reached

1,241,018

End-Users



Non-Residential

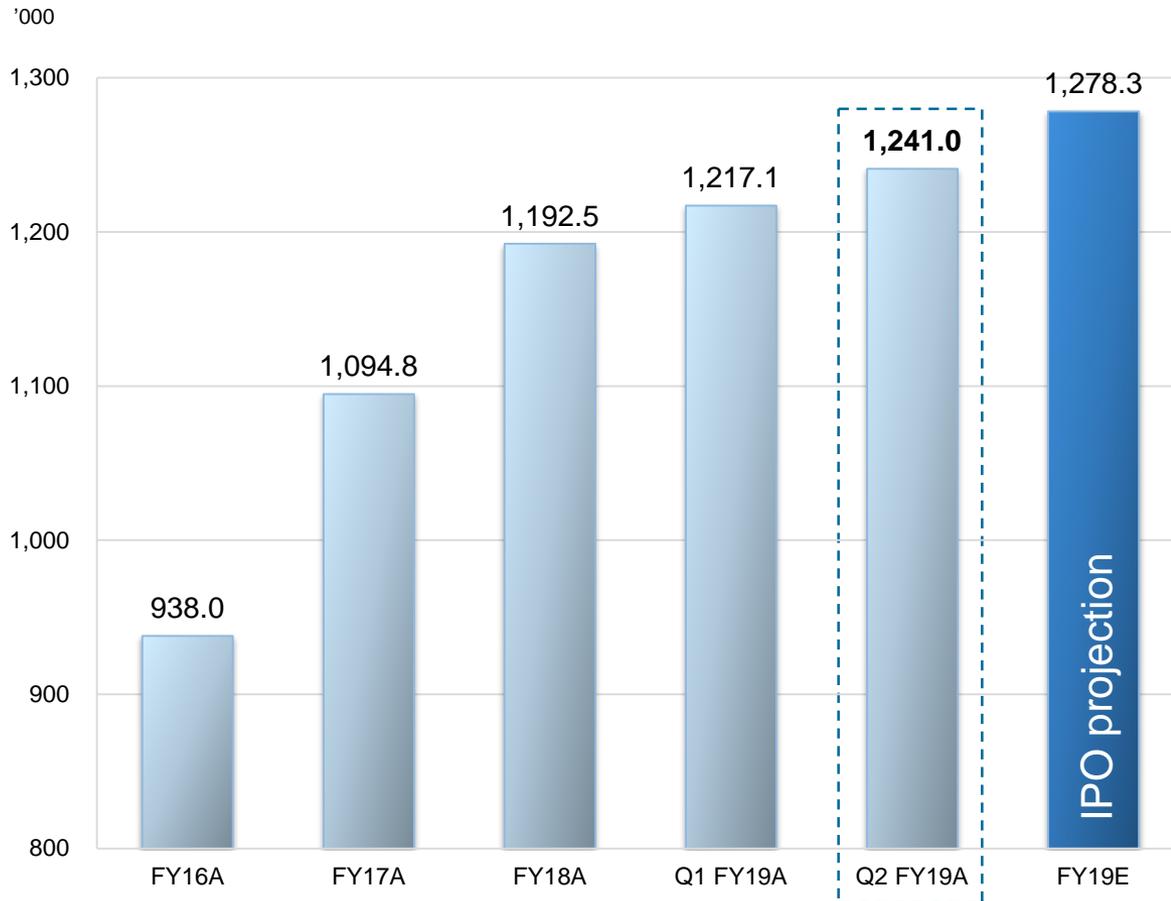
32,466

Building Reached

45,514

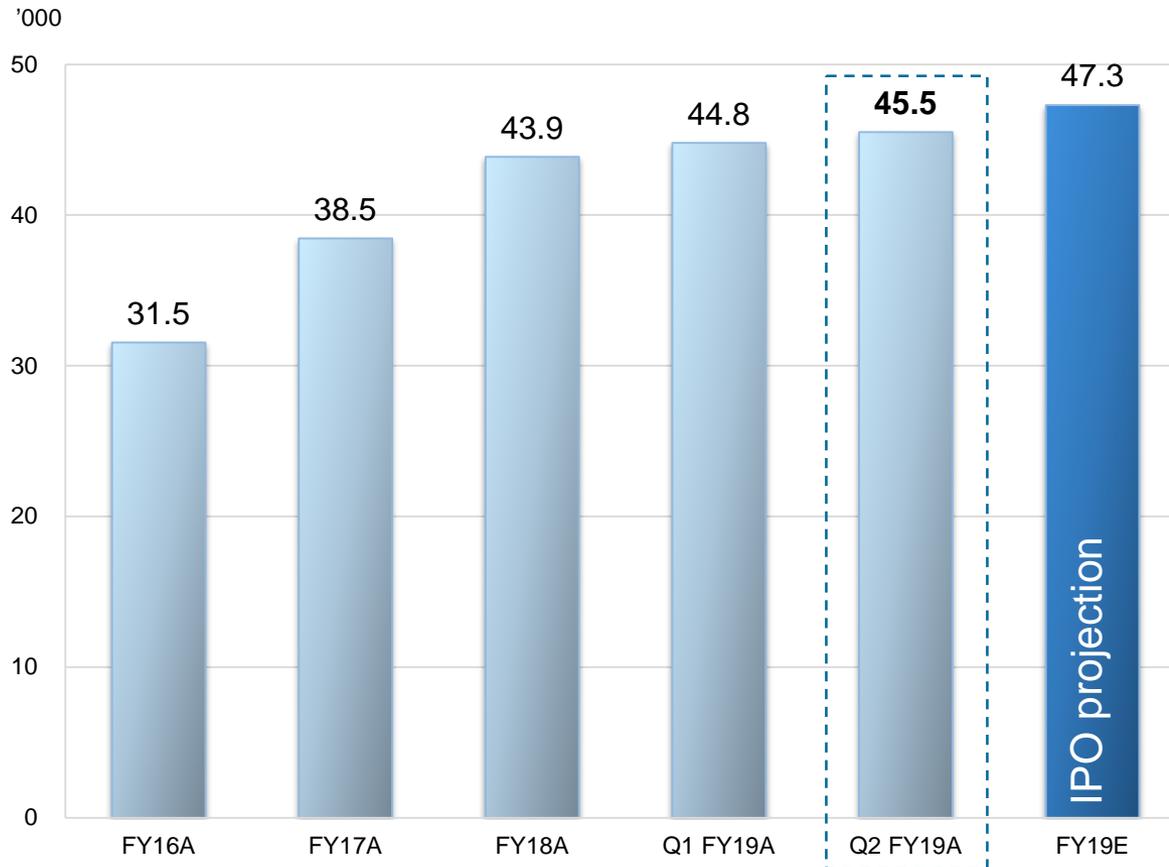
End-Users

Residential fibre connections



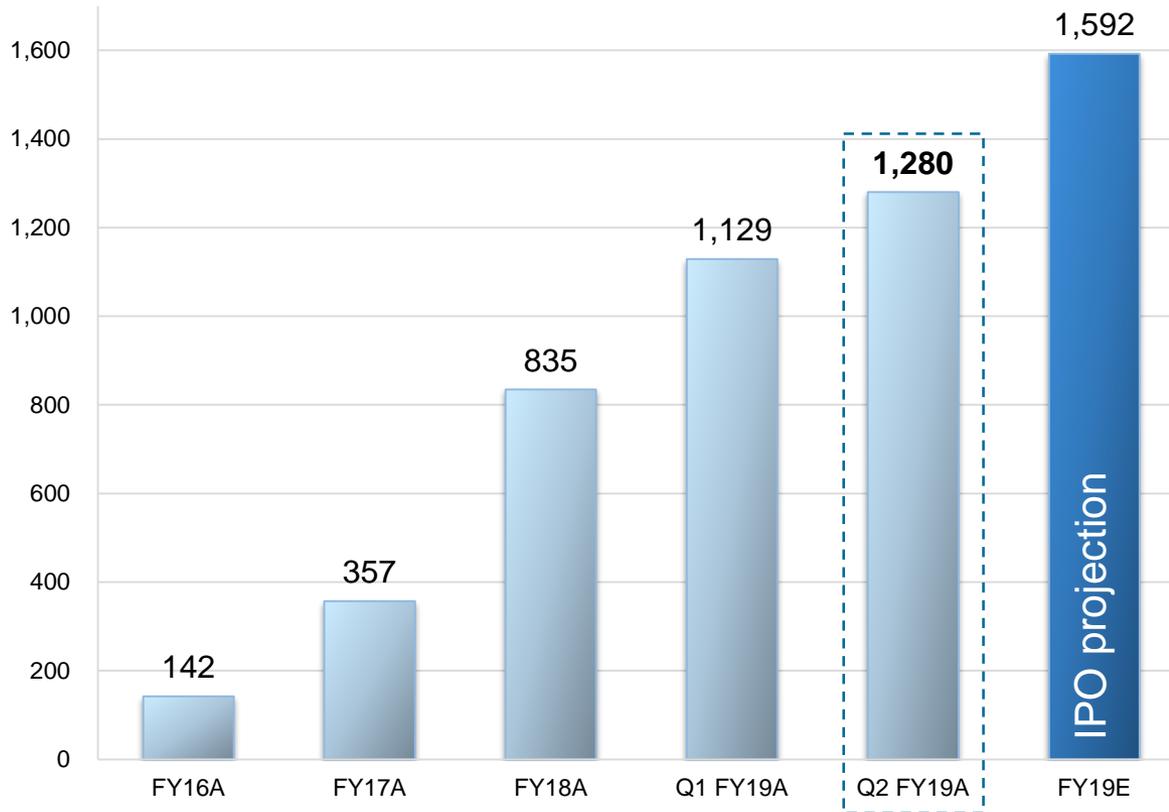
- 1.24m residential connections as at 30 Sep 2018
- Increased 2.0% since 30 Jun 2018

Non-residential fibre connections



- 45,514 non-residential connections as at 30 Sep 2018
- Increased 1.6% since 30 Jun 2018

Non-Building Address Point (“NBAP”) connections



- NBAP connections have increased 13.4% since 30 Jun 2018
- Continue to support RLs and government agencies on Smart Nation initiatives

Q2 Profit & loss statement

S\$'000	Q2 FY19	Projection ⁽¹⁾	Variance (%)
Revenue	90,594	84,876	6.7
EBITDA	61,239	59,427	3.0
EBITDA margin (%)	67.6 ⁽²⁾	70.0	(2.4p.p)
Depreciation & amortisation	(40,030)	(40,865)	(2.0)
Net finance charges	(4,340)	(5,042)	(13.9)
Profit before tax	16,869	13,520	24.8

(1) Projection for Q2 FY19 was part of the Projection Year 2019's projection disclosed in the prospectus dated 10 July 2017 (the "Prospectus").

(2) Excluding the impact of the higher diversion revenues, the Trust Group would have achieved EBITDA margin of 70.4% in Q2 FY19.

Revenue was higher than projection mainly due to higher diversion revenue and ducts & manhole service revenue, this was partially offset by lower than projected installation-related revenue.

EBITDA margin was lower than projection mainly due to the higher diversion revenues which carry lower margins as compared to the overall EBITDA margins of the Trust Group.

H1 Profit & loss statement

S\$'000	H1 FY19	Projection ⁽¹⁾	Variance (%)
Revenue	176,706	168,671	4.8
EBITDA	122,231	117,766	3.8
EBITDA margin (%)	69.2 ⁽²⁾	69.8	(0.6p.p)
Depreciation & amortisation	(79,806)	(81,730)	(2.4)
Net finance charges	(8,484)	(10,085)	(15.9)
Profit before tax	33,941	25,951	30.8

(1) Projection for H1 FY19 was part of the Projection Year 2019's projection disclosed in the prospectus dated 10 July 2017 (the "Prospectus").

(2) Excluding the impact of the higher diversion revenues, the Trust Group would have achieved EBITDA margin of 71.1% in H1 FY19.

Revenue was higher than projection mainly due to higher diversion revenue and ducts & manhole service revenue, this was partially offset by lower than projected installation-related revenue.

EBITDA margin was lower than projection mainly due to the higher diversion revenues which carry lower margins as compared to the overall EBITDA margins of the Trust Group.

A resilient business model

	RAB Revenue				Non-RAB Revenue			
% of H1 FY19 Revenue	 Residential Connections 57.0%	 Non-Residential Connections 8.4%	 NBAP and Segment Fibre Connections 1.9%	 Ducts and Manholes Service Revenue 10.6%	 Installation Related Revenue 5.8%	 Diversion Revenue 6.0%	 Co-Location and Other Revenue 5.6%	 Central Office Revenue 4.7%
Recurring, predictable cash flows	✓	✓	✓	✓	–	–	✓	✓
Long-term contracts / customer stability	✓	✓	✓	✓	–	–	✓	✓
Regulated revenues	✓	✓	✓	✓	✓	–	✓	–
Creditworthy customers	✓	✓	✓	✓	✓	✓	✓	✓

Balance sheet as at 30 Sep 2018

Cash Balance	S\$153m
Gross Debt	S\$636m
Net Assets	S\$3,088m
Gross Debt/EBITDA	2.6x
EBITDA Interest Cover	14.1x
Net Assets per unit ⁽¹⁾	79.2

⁽¹⁾ Net assets per unit represents equity divided by total number of units (3,896,971,100)

Distribution details

Distribution period	1 April 2018 – 30 September 2018
Distribution amount	2.44 Singapore cents per Unit
Ex-distribution date and time	12 November 2018, 9am
Books closure date and time	14 November 2018, 5pm
Distribution payment date	27 November 2018

In the Prospectus, the Trust Group had projected a DPU of 4.64 cents for the current financial year ending 31 March 2019. The Trust Group's actual DPU for this half year ended 30 September 2018 is 2.44 cents. Assuming the distribution for the second half of the financial year is the same as the first half, the annualised DPU of 4.88 cents represents an increase of 5.2% over the projected DPU of 4.64 cents.

Well-positioned to deliver long-term value and growth

NetLinkNBN

1 Critical infrastructure enabling Singapore's Next Gen NBN

2 Resilient business model with transparent, predictable and regulated revenue stream

3 Sole nationwide provider of residential fibre network in Singapore

4 Well-positioned to benefit from growth in the non-residential segment as the independent nationwide network provider

5 Well-positioned to capitalise on growth in connected services including Singapore's Smart Nation initiatives

6 Extensive nationwide network affording natural barrier to entry

Thank You

Investors and Media

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