



# NetLinkNBN

*the fibre of a smart nation*

## Financial Results for the period 1 Apr to 30 Jun 2018 ("Q1 FY19")

3 August 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 and the MSCI Global Small Cap – Singapore Index

## Financial Snapshot

\$m	Q1 FY19	Variance vs Projection <sup>(1)</sup>
Revenue	86.1	↑ 2.8%
EBITDA	61.0	↑ 4.5%
EBITDA Margin	70.8%	↑ 1.2 p.p
Profit After Tax	19.0	↑ 26.9%

\$m	As at 30 Jun 2018
Market Capitalisation <sup>(2)</sup>	2,884
Enterprise Value <sup>(2)</sup>	3,406
Net Assets	3,069
NAV per unit (Cents)	78.8

(1) Projection for Q1 was part of the Projection Year 2019's projection disclosed in the prospectus dated 10 Jul 2017.

(2) Based on unit price as at 29 Jun 2018.



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# Fibre connections

(As at 30 Jun 2018)



## Residential

**1,490,180**

Home Passed

**1,353,755**

Home Reached

**1,217,079**

End-Users



## Non-Residential

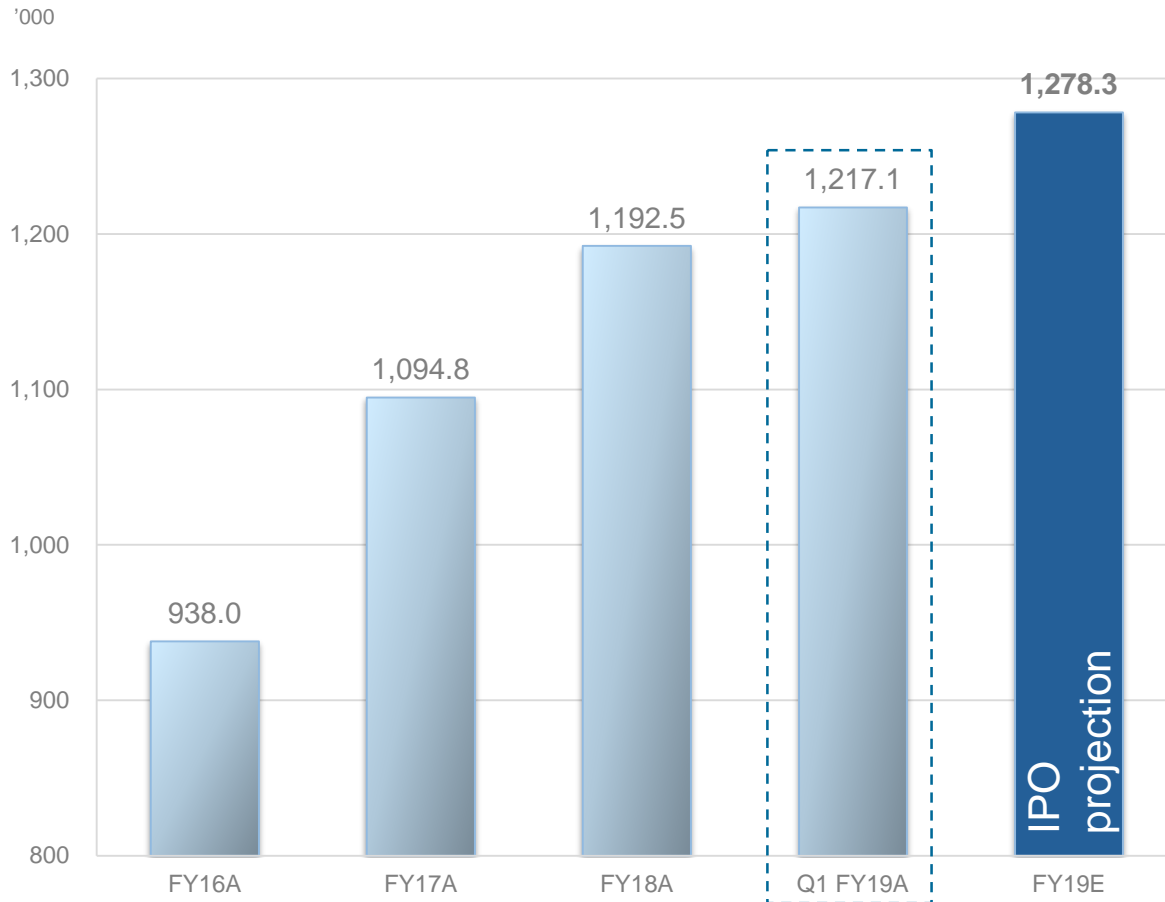
**31,840**

Building Reached

**44,784**

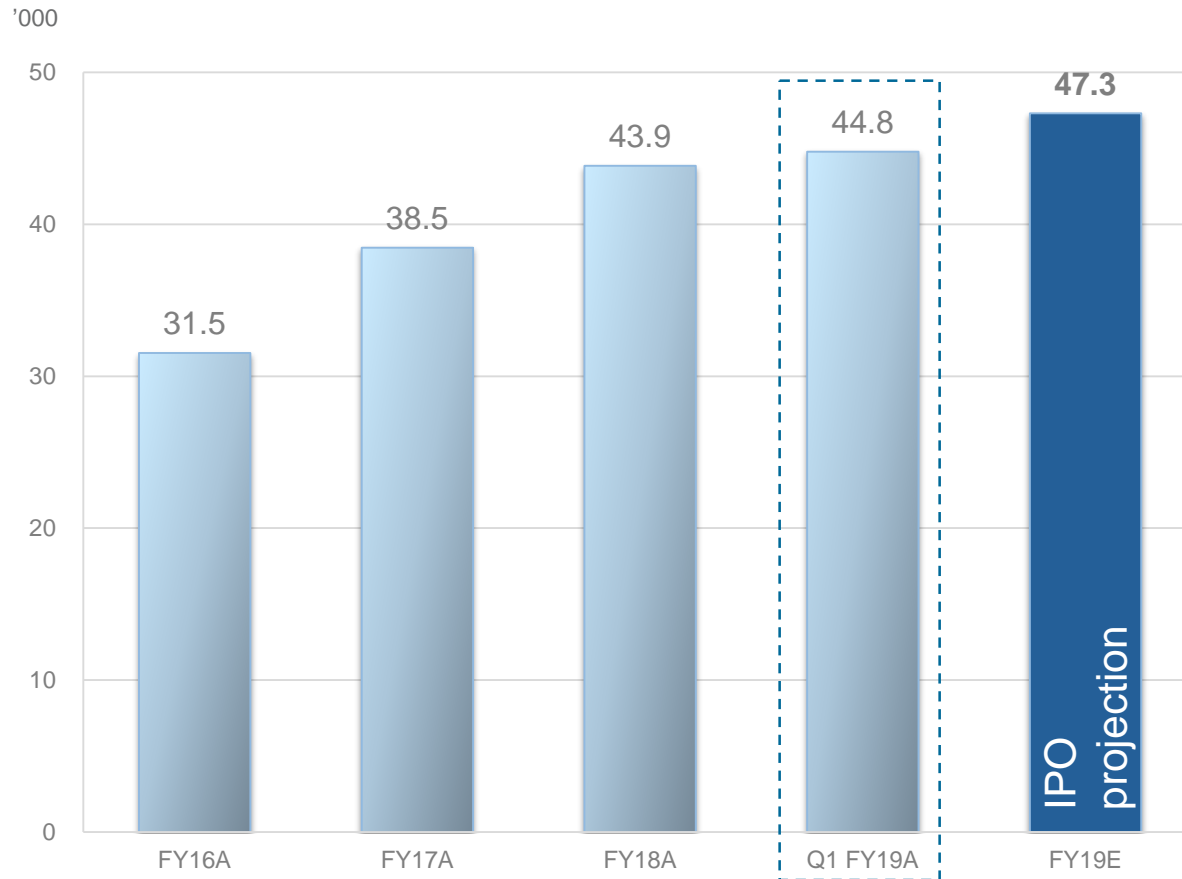
End-Users

# Residential fibre connections



- 1.22m residential connections as at 30 Jun 2018
- Increased 2.1% since 31 Mar 2018
- Performing in line with IPO projection

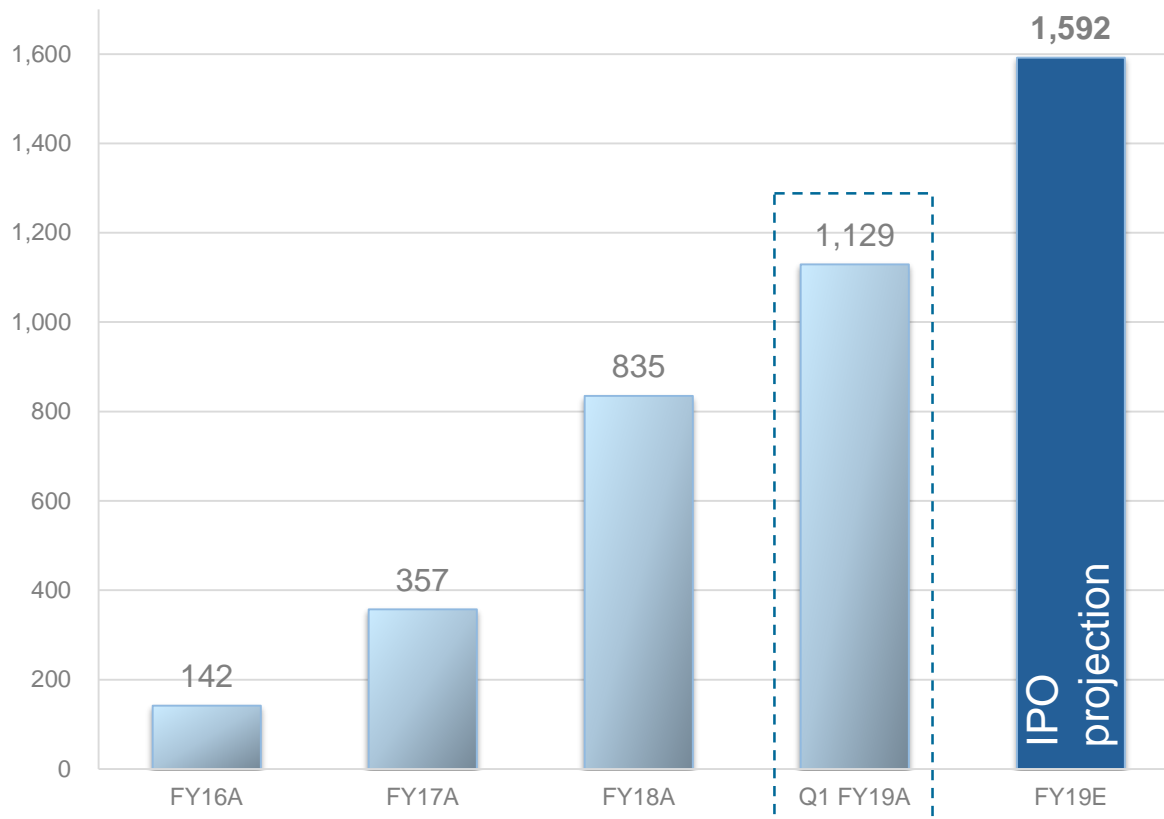
# Non-residential fibre connections



- 44,784 non-residential connections as at 30 June 2018
- Increased 2.1% since 31 Mar 2018
- Performing in line with IPO projection



# Non-Building Address Point (“NBAP”) connections



- NBAP connections have increased 35.2% since 31 Mar 2018
- Continue to support RLs and government agencies on Smart Nation initiatives



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# Q1 Profit & loss statement

S\$'000	Q1 FY19 <sup>(1)</sup>	Projection <sup>(2)</sup>	Variance (%)
Revenue	86,112	83,795	2.8
EBITDA	60,992	58,339	4.5
EBITDA margin (%)	70.8	69.6	1.2pp
Depreciation & amortisation	(39,776)	(40,865)	(2.7)
Net finance charges	(4,144)	(5,043)	(17.8)
Profit before tax	17,072	12,431	37.3

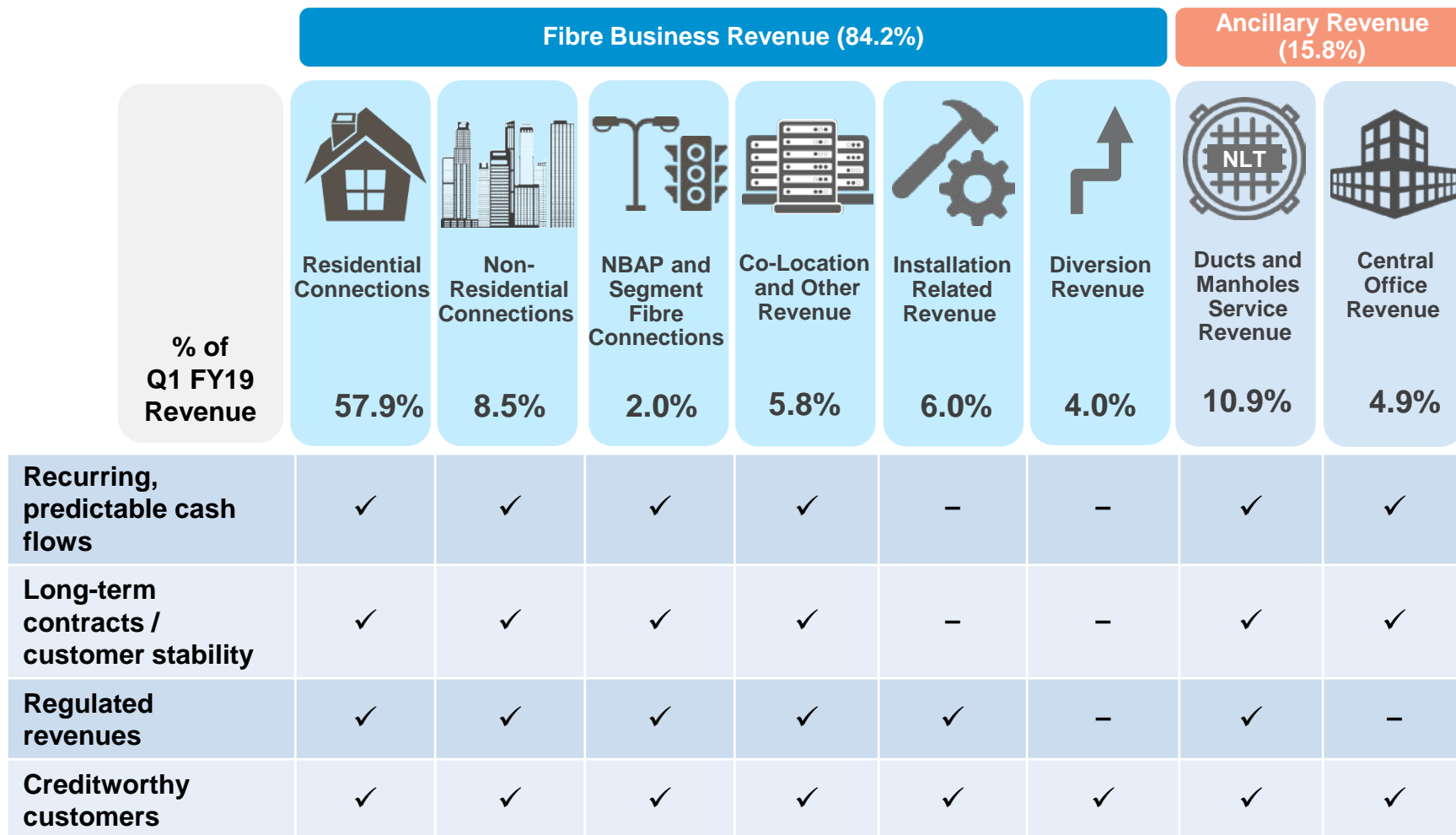
**Revenue** was higher than IPO projection mainly due to higher diversion revenue and ducts & manhole revenue, which was partially offset by lower installation-related revenue.

**EBITDA** increased mainly due to higher revenue, lower operating expenses, partially offset by higher ducts & manhole and diversion costs which were in line with higher ducts & manholes and diversion revenue.

<sup>(1)</sup> The results for Q1 is from 1 Apr 2018 to 30 Jun 2018. No comparative Consolidated Statement of Profit or Loss and Other Comprehensive Income has been prepared as NetLink NBN 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 19 Jul 2017, the date on which the Trust was listed ("Listing Date").

<sup>(2)</sup> Projection for Q1 was part of the Projection Year 2019's projection disclosed in the prospectus dated 10 Jul 2017.

# A resilient business model



## Balance sheet as at 30 Jun 2018

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Cash Balance	S\$69m
Gross Debt	S\$591m
Net Assets	S\$3,069m
Gross Debt/EBITDA <sup>(1)</sup>	2.5x
EBITDA Interest Cover <sup>(1)</sup>	13.1x
Net Assets per unit <sup>(2)</sup>	78.8 cents

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<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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# Focus for FY19

## Quality of service

- Continue to improve our residential and non-residential QoS Timeframe Standards performance
- Pre-lay fibre infrastructure to non-residential buildings to speed up service provisioning
- Continue to maintain high network reliability of > 99.99%

## Customers

- Support RLs' efforts to acquire new corporate and NBAP customers
- Support RLs', government agencies' and end-users' Smart Nation initiatives, such as the developments in Punggol Digital District and Jurong Innovation District.
- Support network deployment of 4<sup>th</sup> mobile operator

## Network expansion

- Continue to expand our network coverage in new housing estates (such as Sengkang, Punggol, and Tengah estates) and expand network capacity to existing residential and non-residential sites
- Monitor 5G development in Singapore and explore opportunities associated with the new technology

## Projected distribution

- Deliver on FY19 projected distribution as per the IPO prospectus

# Thank You

Investors and Media

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