

NETLINK NBN TRUST'S Q1 FY20 EBITDA ROSE 9.1% TO S\$66.5 MILLION ON 6.9% INCREASE IN REVENUE TO S\$92.0 MILLION

- *EBITDA margin maintains at above 70%*
- *Residential connections revenue increased 12.3% due to higher number of connections*

Summary of NetLink Group's Results

	1 April to 30 June		
S\$'million	2019 ("Q1 FY20")	2018 ("Q1 FY19")	Variance (%)
Revenue	92.0	86.1	6.9
EBITDA	66.5	61.0	9.1
EBITDA Margin (%)	72.3	70.8	1.5 <i>pp</i>
Profit After Tax	20.9	19.0	10.0

SINGAPORE, 5 August 2019 – NetLink NBN Management Pte. Ltd., the Trustee-Manager of NetLink NBN Trust (网联宽频信托) (NetLink NBN Trust, together with its subsidiaries, the “**NetLink Group**”) announced today that its EBITDA and Profit After Tax for the financial quarter ended 30 June 2019 (“**Q1 FY20**”) increased by 9.1% and 10.0% respectively, compared to the corresponding period a year ago (“**Q1 FY19**”).

Mr. Tong Yew Heng (唐耀兴), Chief Executive Officer of the Trustee-Manager, said, “We have continued to witness a steady growth in the number of connections that has contributed to our robust results this quarter. Our extensive fibre network puts us in good stead to support not only the connections in the residential and non-residential segments but also Singapore’s Smart Nation initiatives and applications by providing the fibre backbone.”

RESILIENT BUSINESS

In Q1 FY20, the NetLink Group achieved revenue of S\$92.0 million, 6.9% higher than the S\$86.1 million in Q1 FY19, mainly due to higher residential connections and installation-related revenue, partially offset by lower ducts and manholes service and diversion revenue.

Residential connections remain the largest revenue driver, contributing 60.9% of the total revenue. The NetLink Group achieved 1,383,152 residential connections this quarter compared to 1,217,079 connections as at 30 June 2018.

In tandem with the higher revenue and growth in network assets, total expenses rose 4.5% to S\$72.9 million this quarter compared to S\$69.8 million a year ago. Overall, NetLink Group's EBITDA margin improved 1.5 percentage point to 72.3%¹ in Q1 FY20 from 70.8% in Q1 FY19. EBITDA rose 9.1% to S\$66.5 million this quarter compared to S\$61.0 million a year ago. Profit After Tax rose 10.0% to S\$20.9 million from S\$19.0 million across the same comparative periods.

The NetLink Group reported steady net cash generated from operating activities of S\$56.5 million for Q1 FY20, higher than the S\$46.1 million reported in Q1 FY19.

No distribution has been declared or recommended for the quarter ended 30 June 2019 and for the same period last year. Distributions will be made on a semi-annual basis in accordance with the Group's distribution policy. Accordingly, the next distribution period will be for the six months ended 30 September 2019.

¹ EBITDA margin of 72.3% was 1.5 percentage point higher mainly due to the adoption of the Singapore Financial Reporting Standards (International) 16 – Leases ("SFRS(I) 16"). Excluding the impact of SFRS(I) 16, EBITDA margin for Q1 FY20 would have been 71.5%, or 0.7 percentage point higher compared to 70.8% for Q1 FY19.

OUTLOOK

For FY20, the NetLink Group expects revenues from key connection services to be higher than that of FY19 mainly due to higher residential connections and installation-related revenues. The Group will continue to invest and expand its network to improve the network's capability and resiliency. The Group expects capital expenditure in FY20 to be higher than that of FY19.

The Group is continuing to expand its network in new housing estates. NetLink has also been working proactively with the Requesting Licensees (“RLs”) (who provide fibre services to Retail Service Providers that in turn provide retail fibre services to end-users) to meet future demand for Non-Residential and NBAP connections, and to support the RLs' efforts to acquire new Non-Residential and NBAP customers. With its extensive nationwide fibre network, the NetLink Group is well-positioned to support, among others, the Smart Nation initiatives, the developments in Punggol Digital District and Jurong Innovation District, and the fourth mobile telecommunication operator in its mobile network deployment. In addition, the Group is monitoring the development of the 5G network in Singapore and will explore opportunities associated with the new market development.

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ABOUT NETLINK NBN TRUST

The NetLink Group's nationwide network is the foundation of Singapore's Next Generation Nationwide Broadband Network ("**Next Gen NBN**"), over which ultra-high-speed internet access is delivered throughout mainland Singapore and its connected islands.

The NetLink Group designs, builds, owns and operates the passive fibre network infrastructure (comprising ducts, manholes, fibre cables and Central Offices) of Singapore's Next Gen NBN. The NetLink Group's extensive network provides nationwide coverage to residential homes and non-residential premises in mainland Singapore and its connected islands.

NetLink NBN Trust was listed on the Main Board of the Singapore Exchange Securities Trading Limited (SGX-ST) on 19 July 2017, and is a constituent of the FTSE ST Large & Mid Cap Index, FTSE ST Singapore Shariah Index and the MSCI Global Small Cap – Singapore Index.

For more information about NetLink NBN Trust, please visit: www.netlinknbn.com

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