



MEDIA RELEASE

For immediate release

StarHub Reports 7.7% Growth in FY2024 Net Profit to \$161.7M¹

- FY2024 performance met and/or exceeded FY2024 guidance across all metrics
- Market Share increases across Consumer– Mobile, Broadband & Entertainment
- Revenue Growth of 14% in Enterprise Segment driven by Managed Services, Cybersecurity Services and Regional ICT Services
- Proposed Final Dividend of 3.2 cents per share, bringing total FY2024 dividend to 6.2 cents exceeding expectation of “at least 6.0 cents”

Singapore, 21 February 2024 – StarHub reported today net profit attributable to shareholders (“NPAT”) of \$161.7 million for the financial year ended 31 December (“FY”) 2024, marking a 7.7% year-on-year (“YoY”) increase from \$150.2 million a year ago (“FY2023”)¹. StarHub also reported FY2024 Service Revenue and Total Revenue of \$2.0 billion and \$2.4 billion respectively¹. This represents a 3.9% and 1.4% year-on-year (“YoY”) growth compared to \$1.9 billion and \$2.3 billion reported a year ago¹.

Commenting on the results, StarHub’s Chief Executive, Nikhil Eapen, said, ***“We are pleased to report continuous growth despite intense market competition particularly in the Consumer telco market. We have extended our #2 leadership position² for Mobile, and further solidified our #1 positions² for Broadband and Entertainment, driven by our Multi Brand, Multi Segment strategy powered by smart bundling and Infinity Play. Enterprise continues to be our key growth driver, reporting exceptional growth this year as we scale Modern Digital Infrastructure (backed by Cloud Infinity) for Smart City use cases in Singapore and the ASEAN region. We reiterate our commitment to create long-term Total Shareholder Return through growth, dividends and share buybacks.”***

¹ Excluding D’Crypt; the sale of D’Crypt was completed in February 2024.

² Based on Service Revenue market share

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Against StarHub's full year guidance¹ for FY2024, the 3.9% YoY growth in Service Revenue exceeded expectations of "at least 1% to 3% YoY". Service EBITDA margin of 21.7% was in line with the guided "approximately 22%", while Capex Commitment (including investments) for FY2024 was 9.5%, lower than the guided range of "between 11% and 13% of Total Revenue" for the full year. Alongside positive operating profits contributed from the Cybersecurity Services and Regional ICT Services segments, FY2024 Service EBITDA rose 3.1% YoY to 437.4 million.

FY2024's growth was mainly driven by stronger performance from the Enterprise Business that reported an overall 14.1% growth in revenue¹, achieving \$980.9 million in FY2024, lifted mainly by double-digit YoY growth across Cybersecurity Services (+26.2%) and Regional ICT Services (+13.1%). Enterprise revenue was further augmented by the 16.5% growth in Managed Services mainly driven by Modern Digital Infrastructure platforms and solutions.

On the Consumer front, the Mobile business continues to see strong traction from SIM Only subscriptions, registering strong growth in its subscriber base YoY mainly from giga! and StarHub's MVNOs as part of StarHub's Multi-Brand, Multi-Segment strategy that positions StarHub to capture market share across segments catering to varying customer preferences. Notwithstanding the continued migration towards SIM Only, churn remained low at 1.0% in 4Q2024, demonstrating the differentiated value StarHub and its brands bring to its customers. Mobile revenue for the year stood at \$577.0 million.

The Broadband business continued to grow, reporting revenue of \$250.1 million in FY2024, driven by higher ARPU and subscription revenues from the growth of higher-bandwidth plans and bundles. The proactive migration of customers towards higher-bandwidth plans

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have successfully resulted in a 21x YoY increase in Ultraspeed³ subscribers. The complementary Entertainment business saw resilient ARPU and continues to offer unprecedented breadth of sports and OTT content, strengthening the Group's Infinity Play proposition. Entertainment revenue was \$212.4 million in FY2024.

FY2025 Outlook

On forward-looking expectations, Nikhil commented, *"We enter FY2025 with the majority of the "Build-and-Invest" phase of our Network, IT and business digitisation, and cloudification complete. With these new platforms built, we now move to the "Harvest" phase, benefitting from greater agility, scalability, and first-of-its-kind observability for long-term operational resilience. We are also able to drive scalable growth with cost optimisation. This is critical as we grow market share for our consumer business and for us to scale our Enterprise business regionally. Alongside our financial strength, we intend to capitalise on opportunities that may arise to create value for shareholders, customers, partners and key stakeholders."*

Moving into FY2025, StarHub will continue to defend and grow market share across core consumer segments whilst enacting cost optimisation strategies for margin efficiencies across all segments. Flexibility is retained for the Consumer business to make strategic decisions to compete aggressively until market consolidation and price rationalisation returns. The Group expects the Enterprise Managed Services and Regional ICT Services segments to continue delivering growth. StarHub plans to aggressively scale the Enterprise Business and further regional integration while concurrently exploring synergistic and accretive M&As to scale further in the ASEAN region.

³ Ultraspeed refers to 3Gbs, 5Gbs and 10Gbs plans.



FY2025 EBITDA is expected to remain stable YoY. Moving from “Build-and-Invest” to “Harvest” phase, the Group will drive new cost-efficient models by harvesting new platforms built over the last few years to drive greater margin efficiencies. Meanwhile, Capex commitment (excluding spectrum payment) is expected to be in the 9% to 11% range as a percentage of Total Revenue.

Dividend

For FY2024, StarHub is declaring a final dividend of 3.2 cents per share; combined with the interim dividend of 3.0 cents per share, this bring the total dividend to be distributed for FY2024 to 6.2 cents per share, exceeding the guided “at least 6.0 cents”. This marks a payout ratio of 80.6% in line with the Groups dividend policy⁴. In addition to the ongoing \$50 million share buyback programme, this demonstrates StarHub’s commitment to enhancing long-term total shareholder returns.

StarHub targets to distribute the higher of 6.0 cents per share in dividends for FY2025 or its dividend policy⁴. In determining dividend levels, the Group takes into consideration short- to mid-term business conditions, cash flow and investment requirements, and results expected from the ongoing business transformation initiatives.

StarHub’s balance sheet remains healthy with Cash and Bank balances of \$539.6 million in FY2024. The Group continues to enjoy strong cash generation with \$162.2 million in Free Cash Flow for FY2024; and low leverage with Net Debt to EBITDA reduced to 1.29 times as at 31 December 2024, compared to 1.36 times as at 31 December 2023.

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⁴ Dividend Policy: To distribute at least 80% of Net Profit Attributable to Shareholders, excluding one-off, non-recurring items.



For more details on the Group's performance, please visit <http://ir.starhub.com/>. Other materials available on StarHub's investor relations website include the investor presentation, results announcement, as well as the audio webcast archive to be made available after 21 February 2025.

About StarHub

StarHub is a leading homegrown Singapore company that delivers world-class communications, entertainment and digital services. With our extensive fibre and wireless infrastructure and global partnerships, we bring to people, homes and enterprises quality mobile and fixed services, a broad suite of premium content, and a diverse range of communication solutions. We develop and deliver to corporate and government clients solutions incorporating artificial intelligence, cybersecurity, data analytics, Internet of Things and robotics. We are committed to conducting our business in a sustainable and environmentally responsible manner.

Listed on the Singapore Exchange mainboard, StarHub is a component stock of the, iEdge Singapore Low Carbon Index, iEdge-OCBC Singapore Low Carbon Select 50 Capped Index; as well as the FTSE4Good Index Series. StarHub is ranked 184 in the inaugural FORTUNE Southeast Asia 500 in 2024, and is recognised as the world's most sustainable wireless telecommunication provider on the Corporate Knights Global 100 2025

Visit www.starhub.com for more information.

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