



1Q2022 Business
Performance Update

29 April 2022

CONNECTING YOUR DIGITAL WORLD





Forward-Looking Statements

The following presentation may contain forward-looking statements by StarHub Ltd (“StarHub”) relating to financial trends for future periods.

Some of the statements in this presentation which are not historical facts are statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives. These forward-looking statements are based on StarHub’s current views, intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside StarHub’s control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks and uncertainties. Because actual results could differ materially from StarHub’s current views, intentions, plans, expectations, assumptions and beliefs about the future, such forward-looking statements are not and should not be construed as a representation, forecast or projection of future performance of StarHub. It should be noted that the actual performance of StarHub may vary significantly from such statements.



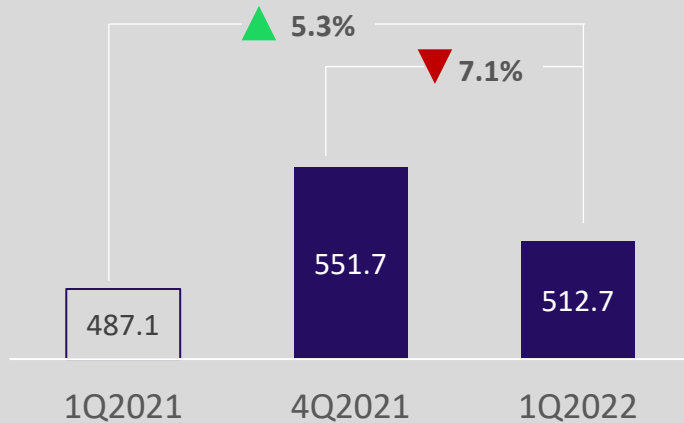
FINANCIAL HIGHLIGHTS

STARHUB

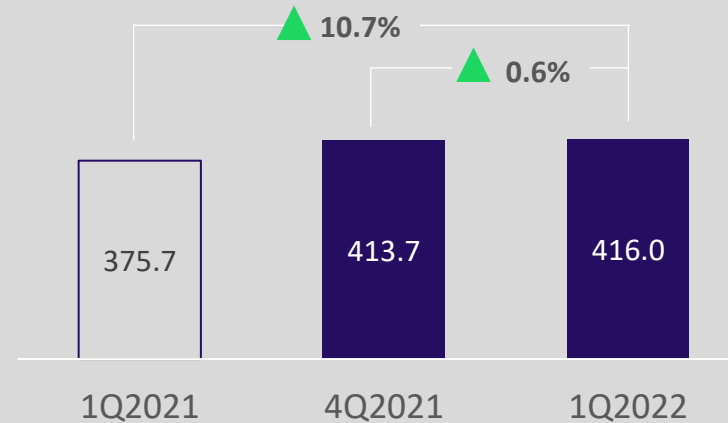


FINANCIAL HIGHLIGHTS

TOTAL REVENUE (\$'M)

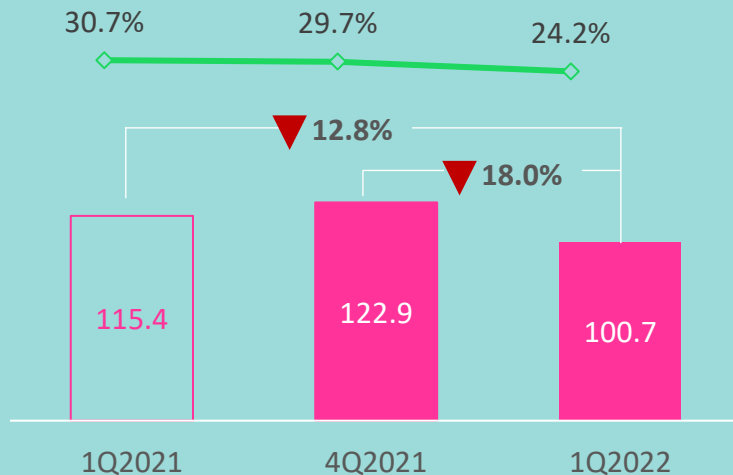


SERVICE REVENUE (\$'M)



- JOS SG & MY maiden contribution: \$27.9M service revenue in 1Q2022
- YoY²: Higher YoY revenue across all segments, partially offset by lower Sales of Equipment.
- QoQ²: Lower revenue from Mobile and Sales of Equipment, partially mitigated by higher Broadband and Enterprise revenues.

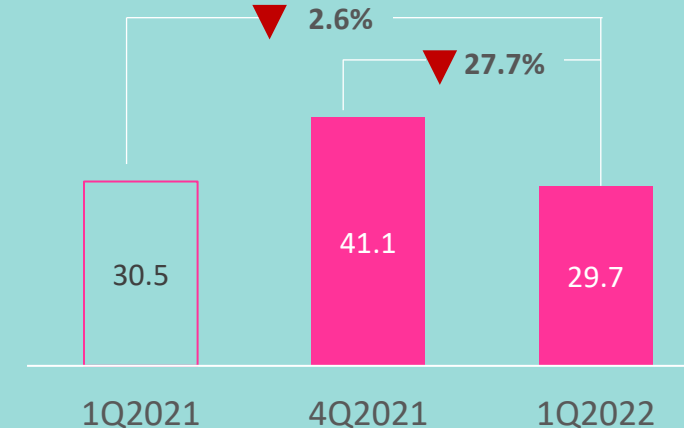
SERVICE EBITDA (\$'M)¹ / MARGIN (%)



- YoY & QoQ²: Lower Service EBITDA due to higher Opex (excl D&A) arising from increased staff cost, higher occupancy cost and investments relating to the streamlining of IT operations and IT Transformation

NET PROFIT (\$'M)

(ATTRIBUTABLE TO SHAREHOLDERS)



- YoY & QoQ²: Lower EBITDA and lower loss attributable to non-controlling interests, offset by lower depreciation & amortisation, lower net finance cost and tax

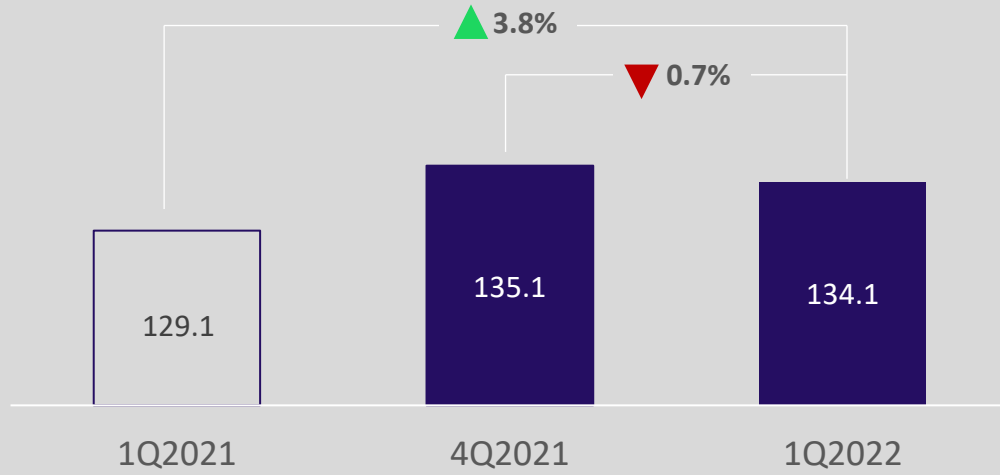
¹ Service EBITDA refers to EBITDA less equipment margin (sales of equipment less cost of equipment)

² QoQ refers to 1Q2022 vs 4Q2021; YoY refers to 1Q2022 vs 1Q2021

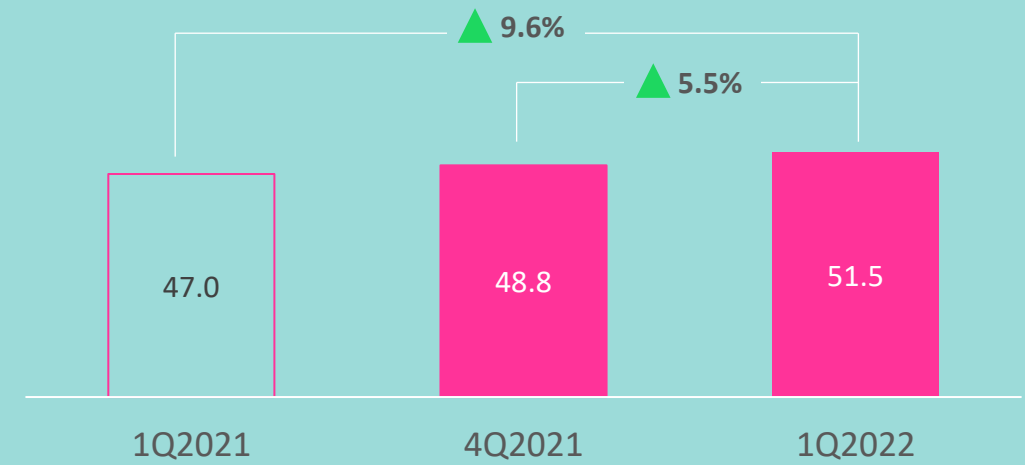


SEGMENTAL REVENUE

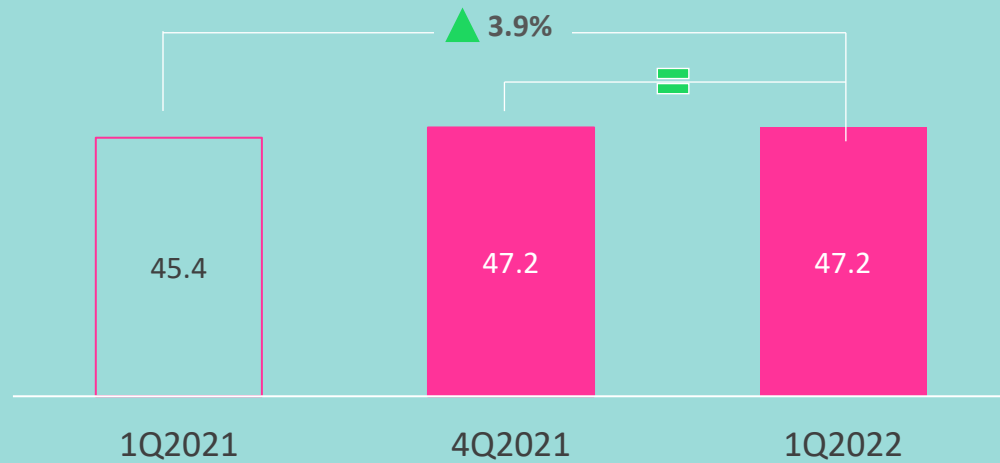
MOBILE¹ (\$'M)



BROADBAND¹ (\$'M)

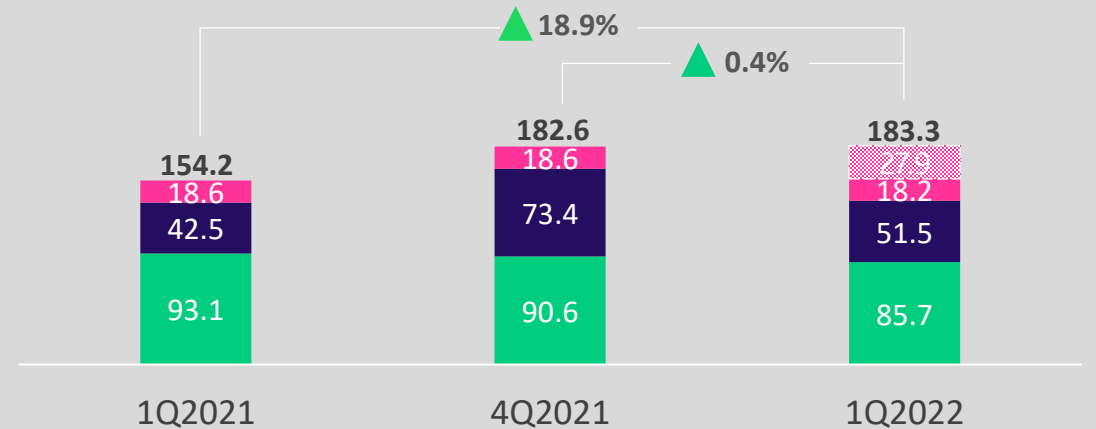


ENTERTAINMENT¹ (\$'M)



ENTERPRISE (\$'M)

- Network Solutions
- Cybersecurity Services
- Regional ICT Services – Strateg
- Regional ICT Services - JOS SG & MY²





¹ Comparatives have been restated to take into account the reclassification of Entertainment OTT from Mobile and Broadband to Entertainment

² Acquisition of JOS SG & MY was completed on 3 January 2022



FY2022 GUIDANCE CHECKLIST

	FY2022 GUIDANCE	1Q2022 PERFORMANCE	
SERVICE REVENUE	 YoY At Least 10%	 10.7%	EXCEEDED EXPECTATIONS Stronger contributions across all segments, and consolidation of HKBN JOS SG & MY from 3 January 2022.
SERVICE EBITDA MARGIN	At Least 20%	24.2%	EXCEEDED EXPECTATIONS Lower-than-expected Opex (excluding Depreciation & Amortisation) and higher-than-expected Other Income offset by lower service margin.
CAPEX COMMITMENT¹	12% - 15% Of Total Revenue	11.6% Of Total Revenue	EXCEEDED EXPECTATIONS Delays in Capex spend.

¹ Excluding 5G Capex and spectrum right, Including investments relating to DARE+ and IT Transformation.



FINANCIAL OVERVIEW

S\$'M	1Q2022	4Q2021	1Q2021	YoY ³ Change (%)	QoQ ³ Change (%)
Total Revenue	512.7	551.7	487.1	5.3	(7.1)
Service Revenue	416.0	413.7	375.7	10.7	0.6
Operating Expenses	(470.7)	(493.4)	(438.9)	7.2	(4.6)
Other Income	1.8	4.7	2.2	(19.0)	(61.3)
EBITDA	109.1	132.1	122.7	(11.1)	(17.4)
Service EBITDA ¹	100.7	122.9	115.4	(12.8)	(18.0)
Service EBITDA ¹ Margin (%)	24.2	29.7	30.7	(6.5) <i>ppts</i>	(5.5) <i>ppts</i>
Net Profit After Tax <i>Attributable to shareholders</i>	29.7	41.1	30.5	(2.6)	(27.7)
Free Cash Flow ²	(17.7)	136.0	97.4	nm	nm
	As At 31 March 2022			As At 31 December 2021	
Net Debt to TTM EBITDA (x)	1.26			1.04	

- Opex increased YoY due to higher cost of sales, staff cost, occupancy cost and one-time prepayment write-off offset by lower depreciation & amortisation
- Other Income declined YoY and QoQ due to lower income grant
- Deficit FCF of \$17.7M in 1Q22 due to lower cash from operating activities and higher Capex payments, compared to a surplus FCF of \$97.4M in 1Q21 and \$136.0M in 4Q21 due to higher cash from operating activities offset by lower Capex payments. Lower cash from operating activities in 1Q2022 was due to higher working capital needs from lower trade and other payables offset by lower trade receivables

¹Service EBITDA = EBITDA less (Sales of Equipment – Cost of Equipment)

²Free Cash Flow refers to net cash from operating activities less purchase of property, plant and equipment and intangible assets in the cash flow statement

³QoQ refers to 1Q2022 vs 4Q2021; YoY refers to 1Q2022 vs 1Q2021



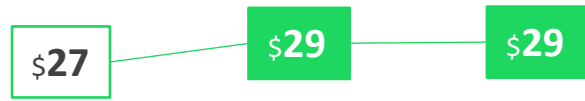
BUSINESS HIGHLIGHTS

STARHUB



MOBILE¹

POSTPAID
ARPU



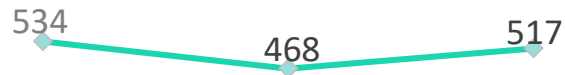
POSTPAID
SUBS (K)



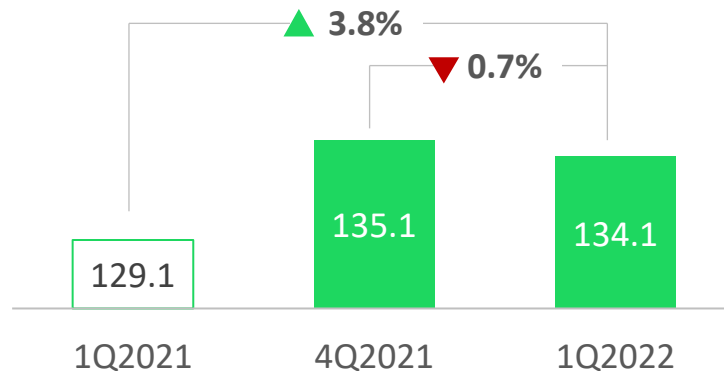
PREPAID
ARPU



PREPAID
SUBS (K)



SEGMENT
REVENUE
(\$\$'M)



- Postpaid ARPU rose YoY² mainly due to higher VAS, roaming and subscriptions revenue, offset by lower IDD and excess usage revenue
- Postpaid subscriber base grew 84,000 subscribers or 5.9% YoY², lifted by increase in giga! subscriber base
- Sustained 5G market lead with >400,000 5G subscribers as at end-1Q2022
- Average monthly churn rate remained low at 0.8% for 1Q2022 (4Q2021: 0.8%; 1Q2021: 1.0%)

- Increased promotions and roadshows to attract and retain subscribers led to a decline in Prepaid ARPU and 10.4% QoQ² growth in Prepaid subscribers

- Revenue increased YoY² and declined QoQ² mainly due to higher Postpaid revenue offset by lower Prepaid revenue
- Overall average data usage reached 12.9Gb in 1Q2022 (4Q2021: 12.7Gb; 1Q2021: 12.7Gb)

¹Comparatives have been restated to take into account the reclassification of Entertainment OTT from Mobile and Broadband to Entertainment
²QoQ refers to 1Q2022 vs 4Q2021; YoY refers to 1Q2022 vs 1Q2021



BROADBAND¹

ARPU



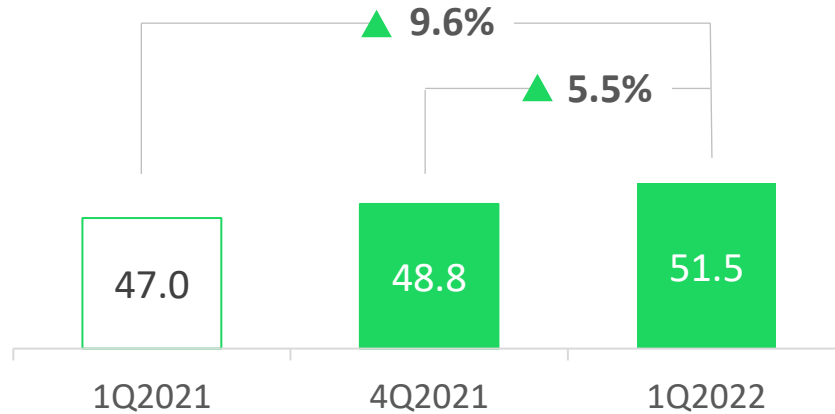
- ARPU increased YoY due to higher prices achieved for the 1Gbps plans as well as increasing take up of the higher-value 2Gbps plans
- ARPU remained stable QoQ

SUBS (K)



- Subscribers declined YoY² due to the churn relating to cable-to-fibre migration customers who are coming out of their discounted contracts
- Lowered average monthly churn rate in 1Q2022 at 0.5% (4Q2021: 0.7%; 1Q2021: 0.7%)

SEGMENT REVENUE (\$\$'M)



- Higher revenue due mainly to higher prices achieved for the 1Gbps plans as well as increasing take up of the higher-value 2Gbps plans

¹ Comparatives have been restated to take into account the reclassification of Entertainment OTT from Mobile and Broadband to Entertainment

² QoQ refers to 1Q2022 vs 4Q2021; YoY refers to 1Q2022 vs 1Q2021



ENTERTAINMENT¹

ARPU



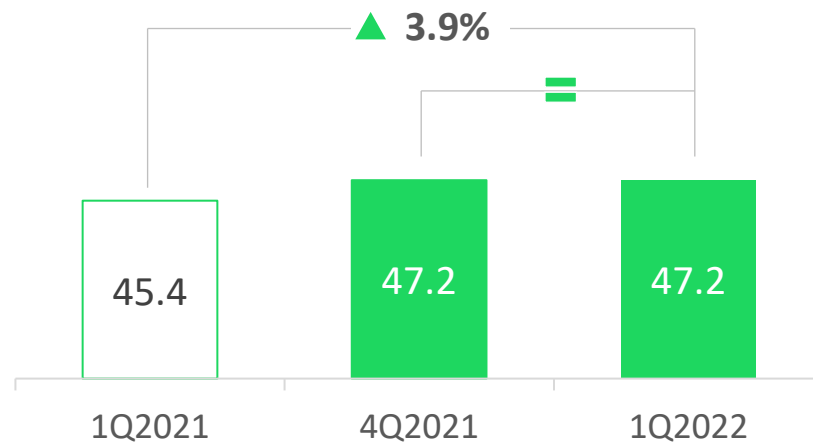
- With the reclassification of Entertainment-related contributions back to the Entertainment segment from Mobile and Broadband, ARPU declined due to dilution caused by a larger Total Entertainment Subscriber base
- ARPU would have been stable QoQ³ and higher YoY³ without the effect of the reclassification

TOTAL ENTERTAINMENT SUBS² (K)



- Total Entertainment subscribers continued to grow by 74K YoY and 6K subscribers QoQ³
- Average monthly churn rate in 1Q2022 lowered to 0.8% (4Q2021: 1.1%; 1Q2021: 1.0%)⁴

SEGMENT REVENUE (\$\$'M)



- Revenue grew 3.9% YoY³ due to higher ARPU achieved from the higher-priced HomeHub bundled plans offset by lower commercial TV revenue and TV advertising spends
- Revenue remained stable QoQ³

¹Comparatives have been restated to take into account the reclassification of Entertainment OTT from Mobile and Broadband to Entertainment

²Includes residential Pay TV subscribers with and without over-the-top ("OTT") subscriptions, as well as Mobile and Broadband subscribers with OTT subscriptions

³QoQ refers to 1Q2022 vs 4Q2021; YoY refers to 1Q2022 vs 1Q2021

⁴Referring to churn for traditional Pay TV only



Furthering Our Infinity Play Vision

Entertainment

Super OTT Aggregation, Curated Based On Unique Preferences



Exclusive 6-year partnership with The Premier League
Pricing details to be announced in June.
Season starts in August.



Peace of Mind

Protecting Consumers From Everyday Challenges In Their Digital Lives



(FEB 2022)
CyberCover
Cyber protection policy in partnership with Chubb – identity theft, unauthorised transactions, etc



(MAR 2022)
CyberProtect
All-in-one online protection service – antivirus, VPN, advanced parental controls, etc

Cloud Gaming

Bringing High-Performance Gaming To A Wider Audience



(APR 2022)
Partnership with Asus
Bringing NVIDIA GeForce Now to more gamers



5G & Network Leadership

Enabling A Best-In-Class Digital Experience

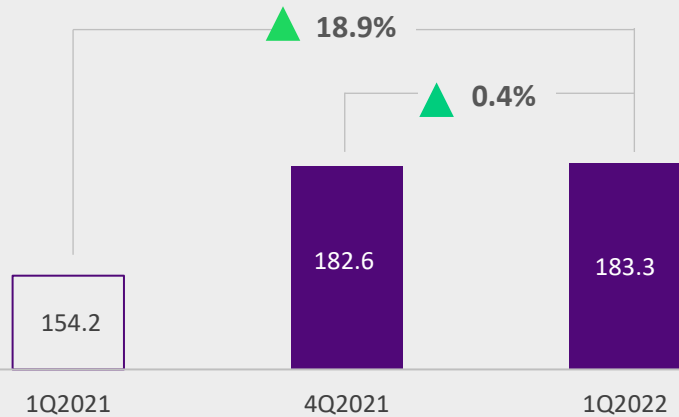
>400K
5G Subscribers

Singapore's Most Awarded Network In 2021
IMDA Imconnected H1 2021 | Opensignal March 2021 Global Mobile Network Experience Awards | Opensignal June 2021 Singapore Mobile Network Experience Report

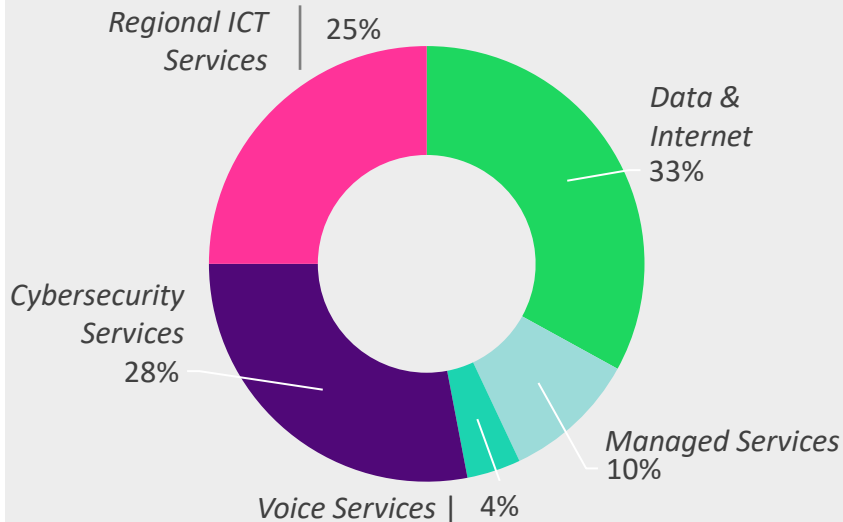


ENTERPRISE

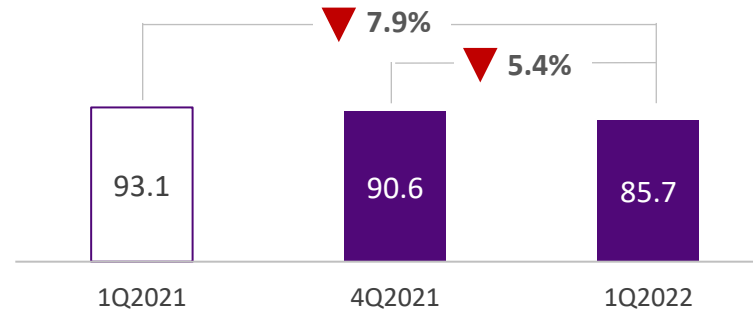
ENTERPRISE BUSINESS (\$'M)



ENTERPRISE REVENUE MIX (%)

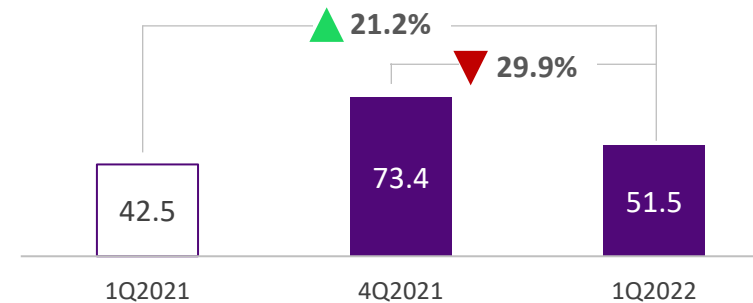


NETWORK SOLUTIONS (\$'M)



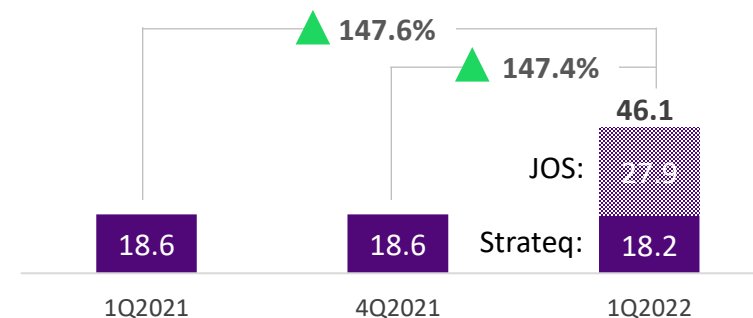
- Lower revenue due to declined contributions from Data & Internet, Managed Services and Voices Services

CYBERSECURITY SERVICES (\$'M)



- Higher YoY revenue due to growth in Singapore and overseas markets
- Lower QoQ¹ revenue in the absence of a significant project completion recognised in 4Q2021
- Recorded lower 1Q22 operating loss of \$1.4M compared to \$3.6M in 1Q2021 due mainly to higher service margin offset by higher staff cost

REGIONAL ICT SERVICES (\$'M)



- Higher segment revenue was mainly due to consolidation of HKBN JOS SG & MY (acquisition completed on 3 Jan 2022)
- The segment recorded 1Q22 operating profit of \$0.8M

¹ QoQ refers to 1Q2022 vs 4Q2021; YoY refers to 1Q2022 vs 1Q2021



Realising Enterprise Growth

1Q2022 Developments

Harvest Growth From 3C's

Connectivity | Cloud | Cybersecurity



Maintaining 5G Leadership: StarHub 5G Digital Experience
Smart Construction Operations exhibits

5G Digital Workplace – QoQ Growth in Contract Wins
Device lifecycle management | Digital solutions | Managed services



StarHub Cloud Connect
Allows businesses a direct pathway to connect to world's leading cloud service providers

Cloud Connect Contract Win
Provide cloud connect services to a multinational conglomerate



Multi-Million Dollar Managed SASE Contract Win
Multinational semiconductor company

Launched SASE for SME
New security solutions to protect SME business

Harnessing Synergies



Launched CyberSecure Business Solutions
One-stop Enterprise ransomware solution in collaboration with Ensign, Palo Alto, Veeam

Building Momentum
Achieved quick wins in joint bids & integrating capabilities in proposals to address Enterprise clients' needs more comprehensively

Green Tech Managed Services



StarHub & NUS: 5G Smart Campus Innovation
100% solar-powered campus WIFI with StarHub backhaul within NUS & 5G SA deployment

Green Solutions powered by 5G
Gaining traction with retail, real estate and building management companies

STARHUB

Investor Relations:
Amelia LEE | IR@StarHub.com

@starhub

