

STARHUB LTD

Co. Reg. No. 199802208C

27TH ANNUAL GENERAL MEETING & EXTRAORDINARY GENERAL MEETING

Responses to Substantial & Relevant Questions

Submitted by Shareholders

Singapore, 16 April 2025 – StarHub Ltd (“**StarHub**”) thanks shareholders for their interest in submitting questions in advance of our 27th Annual General Meeting (“**AGM**”) to be convened and held on 25 April 2025 at 9.00 a.m. and our Extraordinary General Meeting (“**EGM**”) on the same day at 9.30 a.m. (or as soon thereafter following the conclusion or adjournment of the AGM).

Responses to all substantial and relevant questions received relating to the resolutions tabled for approval at the AGM and EGM are as listed in [Annex A](#) (Responses to Shareholders). The responses make reference to StarHub’s Annual Report 2024 and Circular to Shareholders dated 3 April 2025, which have been published on SGXNet and are also accessible at StarHub’s Investor Relations website at <https://ir.starhub.com/AGM-EGM>.

For full details on StarHub’s latest financial and business performance update for the financial year ended 31 December 2024, please visit the Results Centre section on StarHub’s Investor Relations website.

Following the conclusion of the AGM and EGM, the outcome of the AGM and EGM will be uploaded on SGXNet and made available on StarHub’s Investor Relations website. The minutes of the AGM and EGM will be published on SGXNet and StarHub’s Investor Relations website by 24 May 2025.

RESPONSES TO SHAREHOLDERS

1. Please explain why StarHub is paying out a lower total dividend for FY2024 despite achieving a higher net profit than FY2023.

- The payout ratio of 80.6% for FY2024 is in line with our dividend policy, which is to distribute at least 80% of NPAT, adjusted for one-off, non-recurring items; payable on a semi-annual basis.
- The full year dividend of 6.2 cents proposed for FY2024 reflects a payout ratio of 80.6% of FY2024 net profit after tax attributable to shareholders ("NPAT"), excluding a one-off \$22.6 million utilisation of a non-recurring provision disclosed in our FY2024 results announcement; StarHub's share of non-operating income relating to fair value gain recognised amounting to \$3.2 million for the full year; and \$7.9 million in perpetual capital securities distribution as disclosed in our earnings announcement.
- The exclusion of the \$22.6 million provision from the dividend computation in FY2024 aligns with the approach taken in FY2022, when \$30.8 million in non-recurring DARE+ provisions were similarly excluded from adjusted NPAT. This resulted in an adjusted NPAT higher than the reported NPAT in FY2022, which formed the basis for dividend determination that year.

2. Please explain why StarHub has not repurchased any share in FY2024 despite reiterating its commitment to the \$50 million share buyback programme.

- Driving long-term total shareholder returns continue to be a key focus for StarHub, guiding strategy, business and capital allocation decisions. We employ a disciplined approach to capital management supported by both organic and inorganic growth; as well as enhancing shareholder value through dividends and share repurchases.
- StarHub remains committed to the share buyback programme – 300,000 shares were repurchased in FY2024, bringing our total shares repurchased to-date to about 13.2 million shares. This is a reflection of a prudent approach based on prevailing market conditions, share price levels and the Group's capital allocation priorities.
- We continue to assess the optimal timing and manner to execute the buyback to ensure it delivers long-term value to shareholders, while maintaining flexibility to support our strategic investments and financial resilience.

3. **Is StarHub on track to achieve the financial objectives that were set out at the beginning of its DARE+ transformation plan?**

- Since the launch of DARE+ in late-2021, StarHub has made meaningful progress in the execution of our ambitious transformation journey, and we are still working towards the incremental \$80 million in stable-state NPAT by FY2027.
- That said, we are also cognisant that the operating and macroeconomic environment has evolved significantly since late-2021, with intensified competitive pressures and inflationary pressures constantly shifting the baseline, diluting the financial visibility of the traction we have seen over the last few years.
- Nonetheless, we are at the tail-end of our Build and Invest phase, expecting to complete the \$270 million in identified transformational investments by FY2025. We are now focused on the harvesting of benefits and returns from these investments – hence the theme of our annual report this year, *Making It Count*.
- We remain firmly focused on executing our strategic initiatives that are expected to create both topline growth and deliver operational and cost efficiencies – including Infinity Play, Enterprise regionalisation and growth through Modern Digital Infrastructure powered by Cloud Infinity; IT Transformation including our Data Lake that will enable our digital strategies; and the commercialization of Cloud Infinity through our enterprise business.
- Our business decisions continue to be guided by sustainable value creation for shareholders and long-term competitiveness for the Group.

4. **Has StarHub's Cybersecurity Services segment (Ensign) achieved profitability in FY2024?**

- Cybersecurity Services reported operating profit of \$2.7 million in FY2024, \$1.3 million or 89.6% higher than the \$1.45 million reported in FY2023¹.
- Moving forward, Ensign continues to focus on expanding research and development to sharpen its niche in AI-powered cybersecurity solutions, scaling its operations and strengthening its foothold in high-growth markets. It will also concurrently strengthen its recurring revenue streams with more emphasis on cybersecurity service contracts.

¹ Numbers may not add up due to rounding differences.