



STARHUB

TRANSFORMATION FOR A NEW GENERATION

23rd AGM | Chief Executive Presentation

30 April 2021



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.



Key Themes

01

NAVIGATING 2020

02

RESILIENT PERFORMANCE

03

2021 & BEYOND



NAVIGATING 2020

STARHUB



STARHUB CARES



CUSTOMERS



COMMUNITY



EMPLOYEES

>\$1M

Raised for COVID-19
Community Causes

01

Board of Directors

03

Employees

02

Senior Management

04

20th Anniversary Budget

CUSTOMERS



CONSUMER

39 free channels

>20,000 hours of fresh content monthly

24/7 customer support

ENTERPRISE

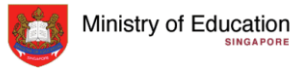
>10 free / discounted essential services for remote working

Amplified advertising credits

NETWORK

Network enhancements to ensure consistent service and experience

COMMUNITY



HEALTHCARE

\$300K donated to Courage Fund

100 employees pledged to donate blood

Free \$100 worth of **unlimited talktime** for healthcare workers on CIS plans for 6 months

LOWER-INCOME

>\$220K donated to Care Corner:

Welfare packs for >2K households

HDB rental defrayment for >1.8K seniors

550 underprivileged students provided with free Mobile Broadband access & devices

MIGRANT WORKERS

500 smartphones for real-time patient health telemonitoring

Free IDD talktime over Labour Day weekend

EMPLOYEES



CARE

Dedicated taskforce

Split-team operations / majority work-from-home

Stepped up on sanitisation

Protective Equipment for Frontline staff

Unlimited talktime

Strict adherence to safe management measures

ENGAGEMENT

WFH Benefits and claims

#HubbaHangout: Fortnightly virtual townhalls

#BringYourMojo series / weekly #Mojo challenges

#HubbaWeek: Daily activities and learning resources

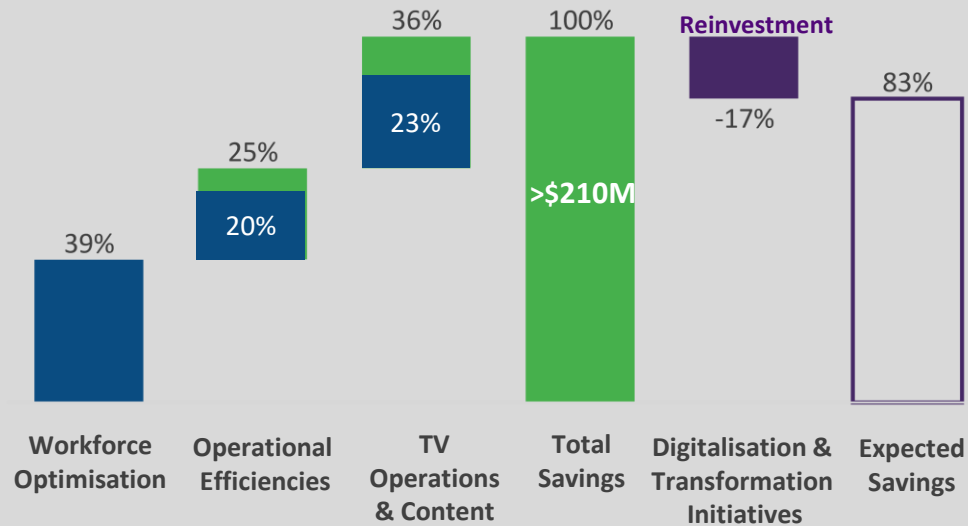


FORGED AHEAD WITH TRANSFORMATION

82% Executed As At FY2020

FY2019-2021 Potential Savings & Reinvestment

■ Planned
■ Executed



DELIVERING

Market-Leading Customer Experiences



ACCELERATING

Value Creation from Core Businesses



REALISING

Growth from New Opportunities



ENHANCING

Efforts to Transform Digitally



IT & DIGITAL TRANSFORMATION

FY2020 ACHIEVEMENTS (As at 31 December 2020)

FY2020 ACHIEVEMENTS

Leading Digital Customer Experiences

DIGITAL SALES



+32%

Digital Sales Transaction¹
YoY Growth



>60%

Conversion Rate
Improvement recorded after
consumer digital sales journey
simplification

DIGITAL SERVICE



>12%

Monthly Active Users¹
YoY Growth



>3M

Service Transactions
(App & Web service platforms)

LEAN & AUTOMATED PROCESSES

>70

Core manual processes automated through
RPA, saving thousands of hours per month

KEY OBJECTIVES

01

Personalised, Predictive
Customer Experience;
Zero Touch Products &
Customer Journey

02

Extract Value From Rich Data
Assets;
Product-Driven Design

03

Faster Time-To-Market;
Scalability & Flexibility

04

Simplify Process & Operations;
Improve Cost Efficiency

FURTHER COST SAVINGS

- Lower commission cost with increased migration to online touchpoints
- Lower operating leases with a more effective retail footprint
- Lower staff costs from simplified and streamlined processes, rightsourcing and embracing digitalisation
- Lower repairs & maintenance expenses and licence fees
- Sustainable mid-to-long term IT support cost savings
- Further cost savings to be identified with ongoing process and organisation reviews

OPPORTUNITIES IDENTIFIED

GIGA! DIGITAL FIGHTER BRAND

5x YoY Growth In Subscriber Base

giga! **PICTURE PERFECT PLANS**
ROLLOVER DATA
NO CONTRACT

giga! **75GB FOR \$45**
ROLLOVER DATA
NO CONTRACT

giga! **45GB FOR \$25**
ROLLOVER DATA
NO CONTRACT

giga! **45GB FOR \$25**
ROLLOVER DATA
NO CONTRACT

giga! **6GB FOR \$10**
ROLLOVER DATA
NO CONTRACT

POWERED BY SINGAPORE'S FASTEST NETWORK

Maintained Highest NPS Within Industry

5G MOMENTUM

Efficient Deployment: Singapore's
First Shared Active Radio Network

First In Singapore To Launch 5G NSA
Services With Widest Network
Island-Wide¹

Strong Traction For Integrated
Mobile+ & Biz+ 5G Plans

Active 5G Trials With Enterprise
Customers; Industry & Tech
Partners

¹ As at September 2020



STARHUB TV+ TRANSFORMATION

**Launched StarHub TV+:
Big Leap Forward For
Pay TV Transformation**

**Exclusive Disney+
Distributorship For Cross-
Product Bundling &
Differentiation**

ENHANCED CUSTOMER ENGAGEMENT

**+24.5% YoY NPS
Improvement**

**Matured Chatbot as
online touchpoint with
>80% accuracy**



ACQUISITIVE GROWTH

ENSIGN

+51.4% YoY Cybersecurity Revenue Growth; \$7.1M Operating Profit

D'Crypt Deployed >500K Enterprise IoT Contact Tracing Devices

STRATEQ

Completed Acquisition on 30 July 2020; Contributed \$33.2M Revenue For FY2020

Bolsters Enterprise Digital Delivery Capabilities; Furthers StarHub's Diversification



KEY ESG ACHIEVEMENTS

STARHUB

A- Leadership Score

CDP Climate Change Disclosure

Sustainable Business Winner

Singapore Apex Corporate Sustainability Awards

Asia's Most Sustainable Telco

80th Position Globally

Corporate Knights Global 100

9th of 704 SGX ListCos

Singapore Board Diversity Index

ESG Indexes



FTSE4Good

MSCI
ESG RATINGS



CCC B BB BBB A AA AAA



RESILIENT PERFORMANCE

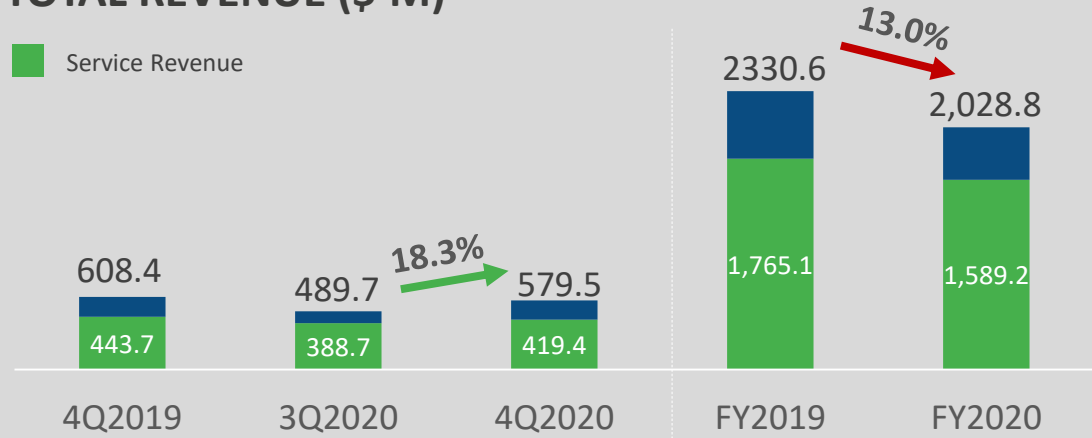
STARHUB



FY2020 HIGHLIGHTS

TOTAL REVENUE (\$'M)

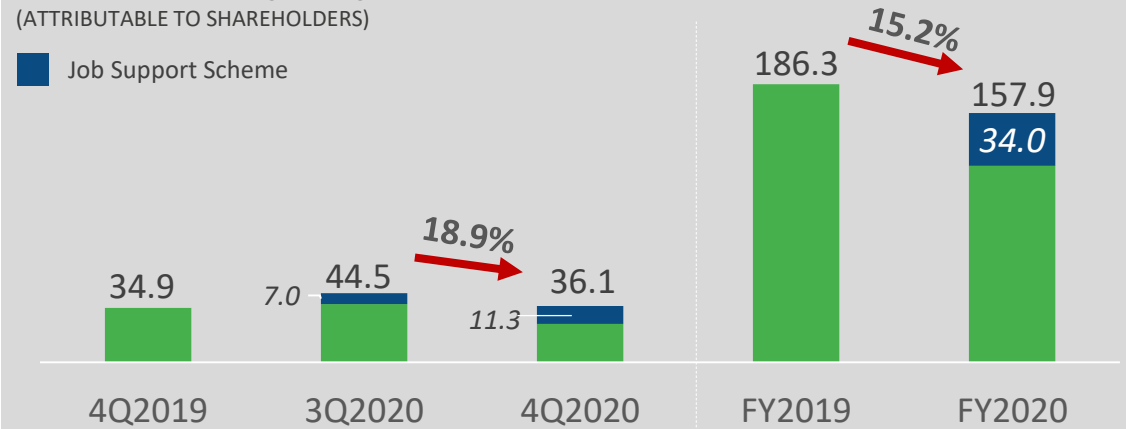
Service Revenue



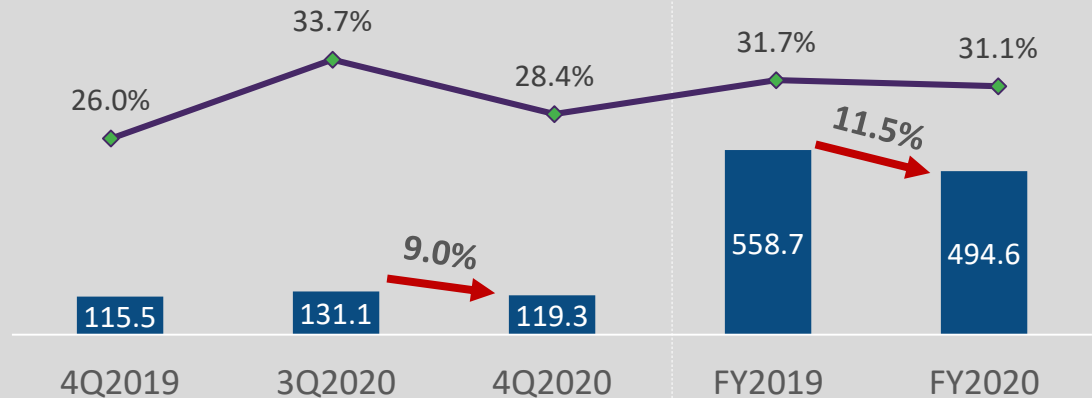
NET PROFIT (\$'M)

(ATTRIBUTABLE TO SHAREHOLDERS)

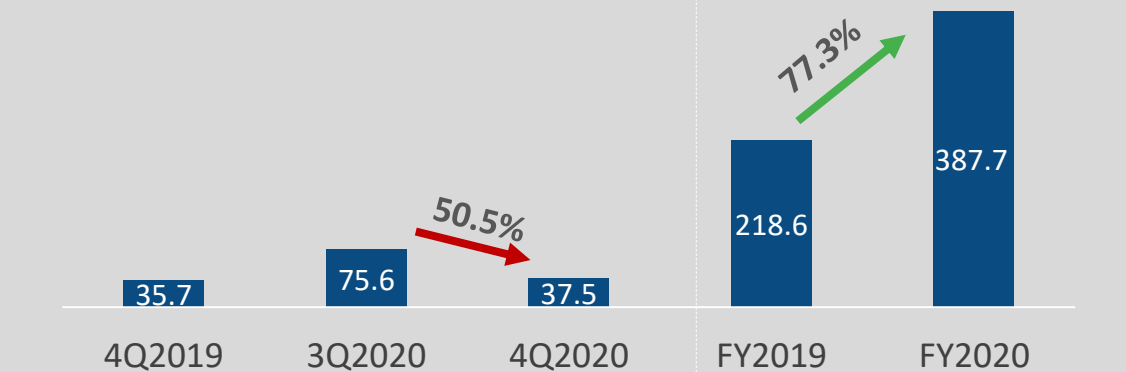
Job Support Scheme



SERVICE EBITDA (\$'M) / MARGIN (%)



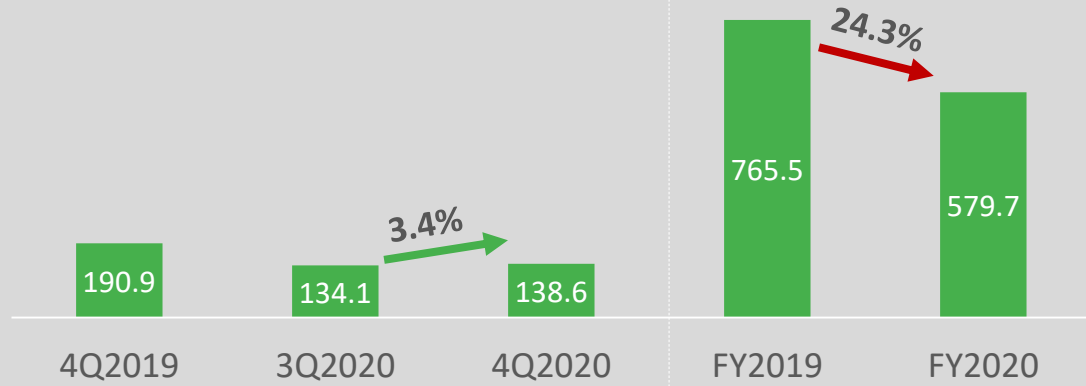
FREE CASH FLOW (\$'M)



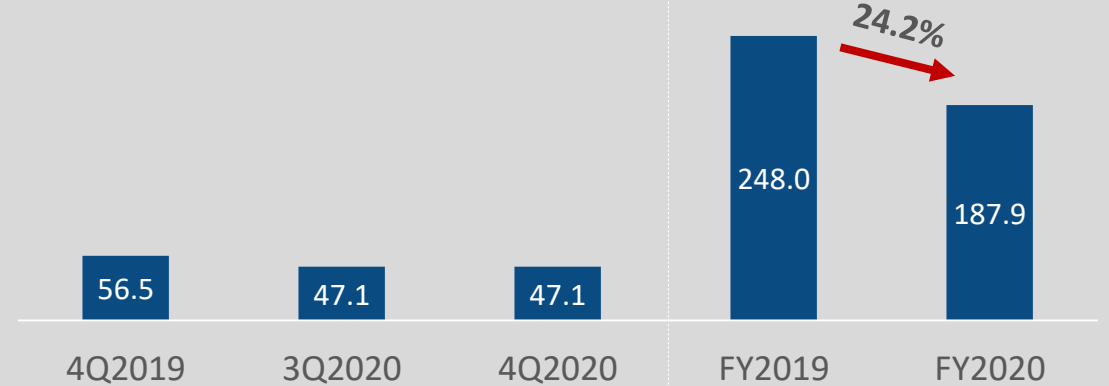


SEGMENTAL REVENUE

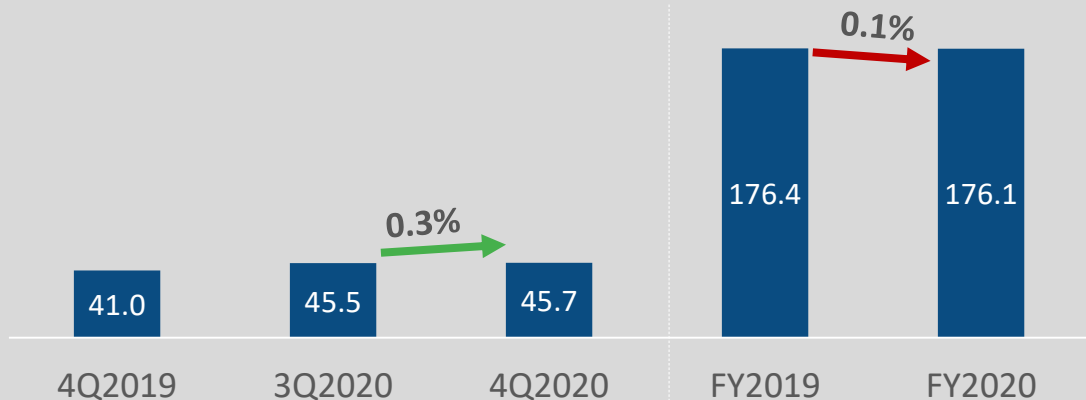
MOBILE (\$'M)



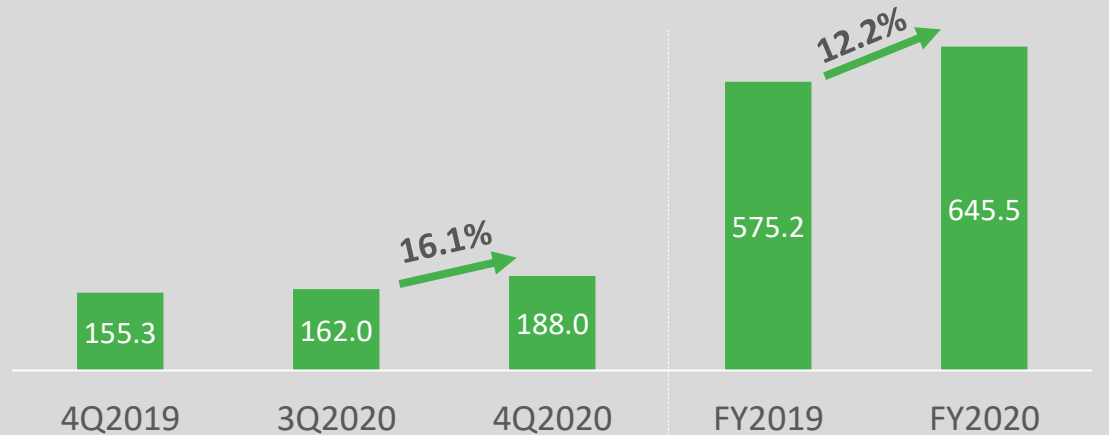
PAY TV (\$'M)



BROADBAND (\$'M)



ENTERPRISE (\$'M)





STRONG BALANCE SHEET

NET DEBT TO EBITDA

1.41x

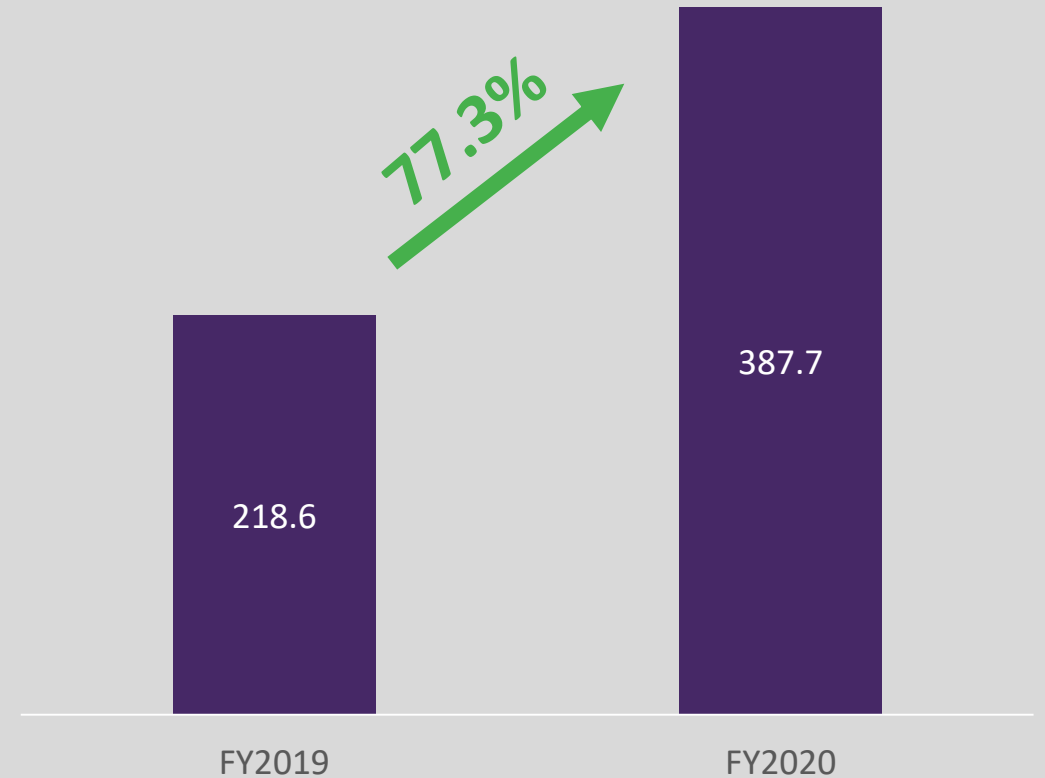
FY2020 TOTAL DIVIDEND

5.0 cents/share

NET CASH FROM OPERATING ACTIVITIES (\$'M)



FREE CASH FLOW (\$'M)





2021 & BEYOND

STARHUB



FY2021 GUIDANCE

SERVICE REVENUE

Stable

- Higher contributions from Cyber security services and Regional ICT services (Strateq full year consolidation)
- Lower Network Solutions revenue
- Lower Mobile service revenue due to ongoing travel restrictions
- Lower Pay TV revenue due to a decrease in subscriber base and TV advertising revenue

SERVICE EBITDA

24% – 26%
(MARGIN)

- Due to a change in revenue mix, lower JSS payouts, and initial investments to be made relating to the IT transformation, 5G infrastructure and Data Center rollouts.
- Continue driving cost transformation to achieve returns on investments, and to stabilise and improve margins going forward.

CAPEX COMMITMENT *(Excluding 5G Capex & spectrum right)*

9% – 11%
(OF TOTAL REVENUE)

DIVIDEND PER SHARE

Higher of 5.0 Cents or Dividend Policy

- To consider ongoing effects of COVID-19 as well as the Group's ongoing investments in, and returns from transformation initiatives
- Dividend policy: At least 80% of net profit attributable to shareholders (adjusted for one-time, non-recurring items); payable semi-annually



KEY PRIORITIES

Enriching Customer Experience

Empower Enterprises – Converged Connectivity & ICT

Effective 5G Rollout

Evolve Operating Model

Pursue Synergistic M&As

Sustainability Aspiration & Ambition

**TRANSFORMATION
FOR A NEW GENERATION**

STARHUB

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