



MEDIA RELEASE  
For immediate release

## StarHub's FY2023 Net Profit Grows 140% To \$150M, Lifted By Growth Across All Segments

- *FY2023 outperformance vs FY2023 guidance across all metrics*
- *Proposed Final Dividend of 4.2 cents per share, bringing total FY2023 dividend to 6.7 cents – exceeding FY2023 dividend guidance of “at least 5 cents”*
- *\$150M FY2023 NPAT marks DARE+ milestone; on course to achieve DARE+ outcomes*

Singapore, 8 February 2024 – StarHub reported today net profit attributable to shareholders (“NPAT”) of \$149.6 million for the financial year ended 31 December (“FY”) 2023, marking a 140.4% year-on-year (“YoY”) increase from \$62.2 million a year ago. Excluding non-recurring provisions related to DARE+ taken in FY2022, and a reversal in FY2023, StarHub’s NPAT would have increased 76.5% YoY. StarHub also reported FY2023 Service Revenue of \$1.99 billion, a 5.5% growth from \$1.89 billion in FY2022, buoyed by stronger performance across all segments.

Commenting on the results, StarHub’s Chief Executive, Nikhil Eapen, said, *“We had a milestone year in 2023. We registered real growth across all metrics and business segments, where we enhanced our market-leading positions. We achieved our DARE+ milestone of \$150 million of NPAT in FY2023 that we set when we launched DARE+ in end-FY2021, whilst continuing to make significant investments amidst the intensively competitive market conditions and unanticipated adverse geopolitical, macro-economic and inflationary conditions. In addition, 2024 marks the tail-end of our investment phase, and we will shift our focus to ‘harvesting’ thereafter, although we will never stop building and innovating.”*

*“Over FY2023, we built new cloud-based platforms that enabled StarHub to offer first-in-market digital products, digital engagement and digital empowerment for our customers. Over 2024, we will continue our Infinity Play journey, harnessing the power of data and artificial intelligence to curate new levels of experiences for our customers with a continuously expanding range of digital products. Also*

STARHUB

67 Ubi Avenue, StarHub Green, 408942, Singapore

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*over FY2024, we will progressively launch Cloud Infinity platforms; bringing our government and enterprise customers first of-its-kind platforms that converge Connectivity, Cloud and Cybersecurity.”*

In FY2023, the consumer business achieved stable or improved ARPU for all segments YoY. StarHub achieved 7.9% growth in Mobile service revenue to \$609.0 million, expanding its market share lead as the second largest mobile operator in Singapore<sup>1</sup>. Broadband revenue grew 2.6% YoY to \$248.7 million in FY2023, as StarHub maintained its no. 1 market share position<sup>1</sup>. Similarly, Entertainment revenue grew 5.4% YoY to \$228.0 million in FY2023, also as the no. 1 operator<sup>1</sup> in this segment. The Enterprise business achieved 4.7% growth in revenue overall, lifted mainly by double-digit YoY growth from Managed Services (+18.1%) and Cybersecurity (+16.3%). The overall 5.5% YoY growth in FY2023 Service Revenue exceeded prior guidance of between 3% and 5%.

Including positive operating profit contributions from Cybersecurity Services of \$1.5 million and \$3.0 million from the Regional ICT Services segment, FY2023 Service EBITDA rose 13.8% YoY to \$431.8 million. Service EBITDA margin was 21.7%, in line with the “approximately 22%” guidance.

Excluding \$30.8 million in non-recurring provisions related to DARE+ that had negatively impacted bottomline performance in FY2022, and a \$1.2 million reversal in FY2023 relating to a DARE+- related provision that was no longer required, StarHub’s FY2023 Service EBITDA and NPAT<sup>2</sup> would have increased 5.0% and 76.5% YoY, respectively.

The Group continued to generate positive operating cash flow of \$358.6 million and \$185.9 million in free cash flow for the year. StarHub’s net debt to EBITDA decreased to 1.36x despite significant DARE+ investments over the year, providing sufficient headroom for financial flexibility, growth and acquisitions should the opportunities arise.

To determine and propose dividends, StarHub’s Board takes into consideration the Group’s financial performance, short- to medium-term cash flow and investment requirements, and results expected from the ongoing business transformation initiatives.

<sup>1</sup> By Service Revenue; based on internal estimates.

<sup>2</sup> Excluding non-operating expense and non-operating income incurred, and the corresponding tax and NCI effects.



For FY2023, StarHub is declaring a final dividend of 4.2 cents per share; combined with the interim dividend of 2.5 cents per share, this brings the total dividend to be distributed for FY2023 to 6.7 cents per share, exceeding the guided “at least 5 cents”. This marks a payout ratio of 80%, in line with the Group’s dividend policy<sup>3</sup>. In addition to an [ongoing share buyback programme](#) to repurchase up to 3% of StarHub’s issued share capital, this also demonstrates StarHub’s commitment to enhancing long-term total shareholder returns.

For FY2024, the Group has guided to “at least 6.0 cents” in dividends, and reiterated its commitment to its dividend policy to distribute at least 80% of its NPAT, adjusted for one-off, non-recurring items. This is backed by the FY2024 guidance offered by StarHub, which expects Service Revenue to grow between 1% and 3% YoY excluding the impact from the divestment of D’Crypt<sup>4</sup>. Service EBITDA margin is expected to be “approximately 22%”, lifted by the realisation of some DARE+ benefits and continued cost optimisation efforts in FY2024. Capex Commitment is expected to remain stable YoY at 11% to 13% of Total Revenue (including investments<sup>5</sup>), consistent with expectations for the Group to incur most of its remaining DARE+ investments by FY2024. StarHub’s evolving business model that will see legacy Capex substituted by Opex is also expected to improve net margin efficiency and increase NPAT as a percentage of EBITDA.

Moving into 2024, StarHub will focus on the continued execution of DARE+, including the targeted commercial launch of Cloud Infinity platforms this year, exploring regional enterprise opportunities, insights from the Data Lake platform that will transform customer experience and improve up- and cross-selling capabilities. The Group also continues to explore synergistic M&A opportunities that will bolster its capabilities and augment its market position.

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<sup>3</sup> To distribute at least 80% of net profit attributable to shareholders (adjusted for one-off, non-recurring items), payable on a semi-annual basis.

<sup>4</sup> Excluding D’Crypt, FY2023 Service Revenue would have been \$1,945.4 million.

<sup>5</sup> Excluding spectrum right, but including 5G Capex and investments relating to DARE+, IT and Network Transformation.



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 8 February 2024.

## 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 SGX iEdge SG ESG Transparency Index, iEdge Singapore Low Carbon Index, iEdge-OCBC Singapore Low Carbon Select 50 Capped Index; as well as the FTSE4Good Index series. StarHub is ranked the world's most sustainable wireless telecommunication provider on the Corporate Knights Global 100 2024.

Visit [www.starhub.com](http://www.starhub.com) for more information.

### For enquiries, please contact:

**Amelia LEE**

Head, Investor Relations  
StarHub Ltd

Office: (65) 9008 6114

Email: [amelia.jw.lee@starhub.com](mailto:amelia.jw.lee@starhub.com)

**LIN Liangmin**

Head, Brand & Corporate Communications  
StarHub Ltd

Office: (65) 9821 0840

Email: [liangmin.lin@starhub.com](mailto:liangmin.lin@starhub.com)