



INVESTOR DAY

22 MARCH 2018

DISCLAIMER

These forward-looking statements reflect the Company's current intentions, plans, expectations, assumptions and beliefs about future events. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes, as well as natural disasters which may negatively impact business activities of the ST Engineering Group. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events. The Company does not undertake to update these forward-looking statements to reflect events or circumstances which arise after publication.

MARINE

NG SING CHAN

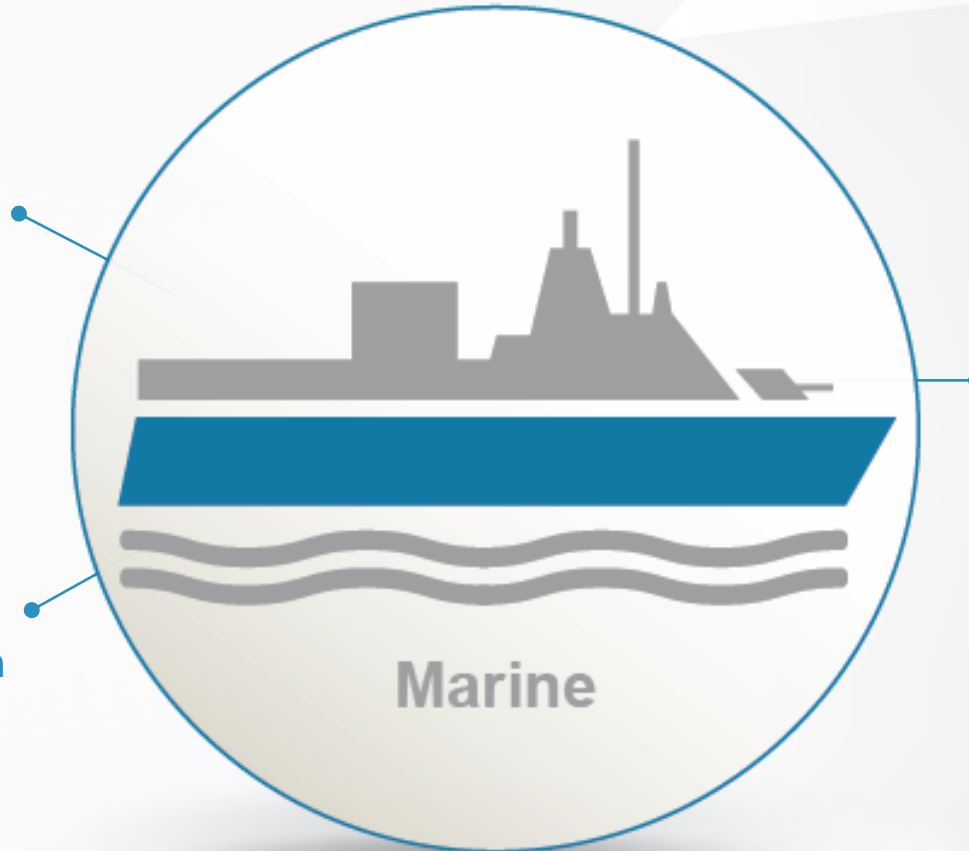
PRESIDENT, ST MARINE

Strengthen Core Businesses

| Marine

Enhance product offerings for the future

Strengthen US business to position for upturn



Grow environmental engineering business

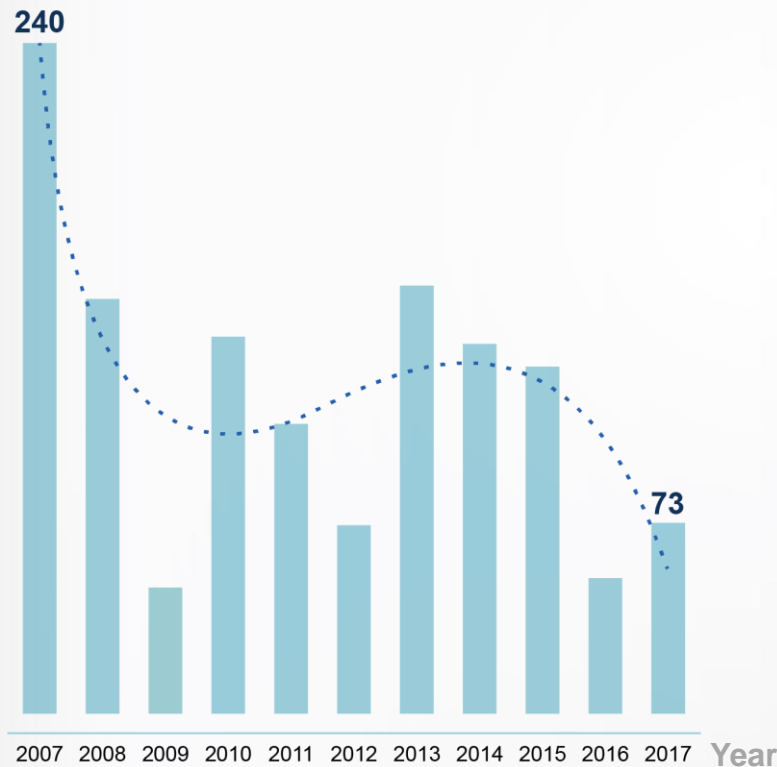


By 2022, we expect Marine sector revenue to recover to 2013 to 2014 levels, subject to the business cycle

Competency in Naval Segment Provides Resilience Against Downturn

Our business is cyclical in nature ...

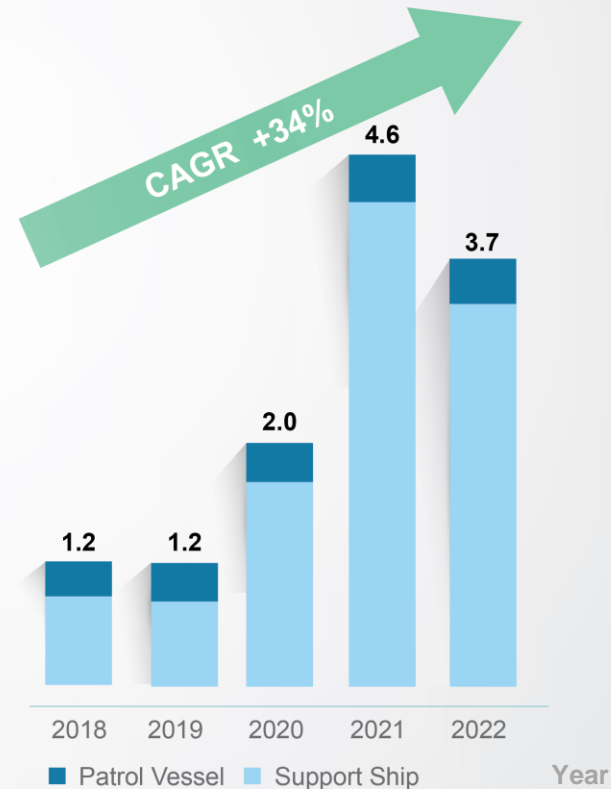
Global Shipbuilding Orders by mDWT (Last 10 Years)



Sources: Barry Rogliano Salles, Clarksons Platou

... however heightened geopolitical tensions increase defence spending

Global naval shipbuilding revenue forecast (US\$b)

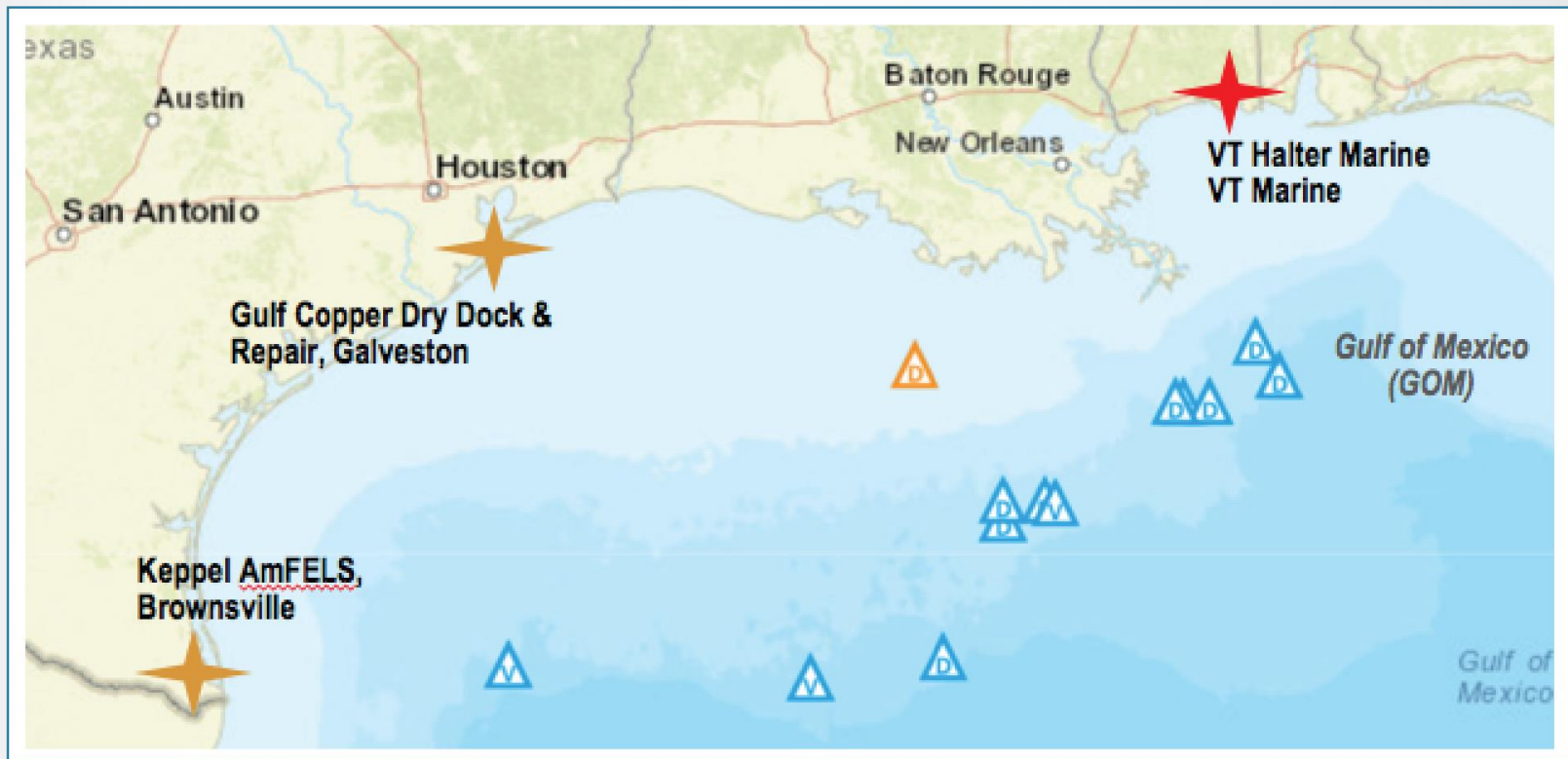


Source: Frost & Sullivan

Strengthen US Business to Position for Upturn

| Why acquire rig repair assets?

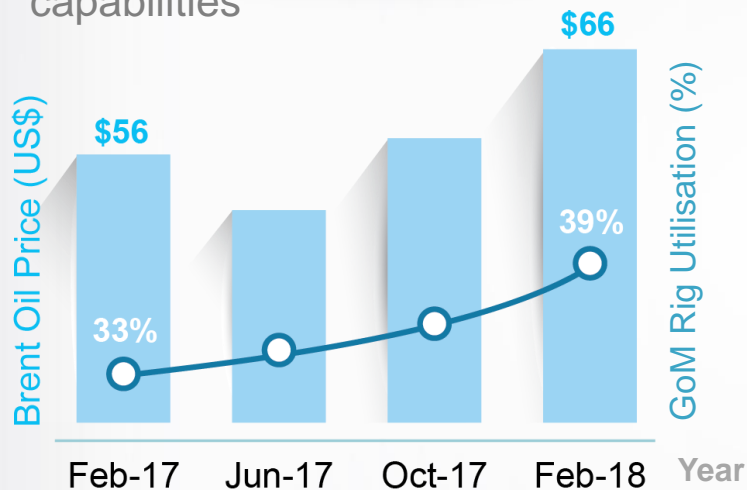
- Invest at **bottom of business cycle**; acquire **rig repair capabilities**
- **Superior location**; closest to rigs deployed in Gulf of Mexico
- Reap **operational synergy** among the US yards



Strengthen US Business to Position for Upturn

Positive outlook in the US

- **Gradual recovery in Gulf of Mexico (GoM) rig demand**
- **Increased defence spending** with Trump's administration augurs well with our US' capabilities

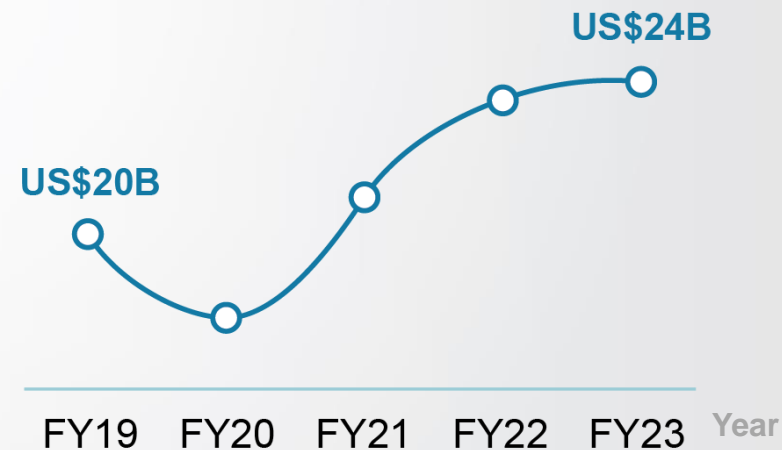


Source: Seabrokers Feb'18

Gulf of Mexico Rig count	2018E	2019E	2020E
Floater	19	20	21
Jack-ups	8	9	10
Total Rigs	27	29	31

Source: Morgan Stanley Jan'18

US Navy New Shipbuilding Procurement Plan



Source: Annual Plan for Construction of Navy Vessels for FY 2019

Execute Projects Well and Target Addressable Markets

Execute current projects well



Littoral Mission Vessel



Heavy Marine Fire Vessel



Container Roll-on / Roll-off (ConRo)



LNG Bunkering Articulated Tug & Barge (ATB)

Grow core and adjacent ship repair segments



Offshore Support Vessel Repair



Research Vessel Refurbishments



Offshore Rig Upgrades



Superyacht Restorations

Building track record in new markets (LNG Vessels)

- America's first offshore LNG ATB for Q-LNG
- Launched the world's first LNG-powered ConRo built for Crowley Maritime

Leverage Technology to Improve Operational Efficiency

| Yard of the future

Smart Engineering



Integrate **Product Lifecycle Management** with Design and Engineering

Smart Manufacturing



Automate manufacturing process via **robots** and **video analytics**

Smart Workplace



Expand usage of **sensors** and **wearables** to create a safer workplace

Smart Warehouse



Use technology to **track** and **monitor movement** of goods

Smart Asset Mgmt



Incorporate technology to **track utilisation, condition monitoring** and **preventive maintenance**

Enhance Product Offerings for the Future

Innovate to meet industry and market needs



LNG Dual-Fuel ROPAX



Service Operation Vessel

Pursue new ship conversion markets



Platform Supply Vessel to Service Operation Vessel



Liquefied Petroleum Gas Carrier to Floating Gas Power Unit

Analytics to boost ship performance



In-house **Advanced SMS²* (NERVA)** equipped with:

- Intelligent Power Management System
- Sense Making System
- Decision Support System

Develop a Suite of Unmanned Solutions



- Unmanned Solutions
 - Defence
 - Para-military
 - Commercial
- Other niche markets
 - Unmanned ship-to-shore connectors
 - Unmanned maritime platforms



Improve Margins through Cost Optimisation

Improve productivity



- Continue to invest in technology and automation
- Captured ~10% efficiency improvement year-on-year

Promote Shared Services



- Reduce overhead costs
- Drive alignment to group's policies

Increase collaboration



- Provide fast turnaround engineering solutions
- Share design expertise and leverage proven ship designs

Smart City: Grow Environmental Engineering Business

Smart Environment

Solid waste management



Water treatment



Waste water treatment



Marine Business is Strategic to the Group



Contributes to holistic suite of defence capabilities



Equipped to take on environmental infrastructure projects (target growth areas)



Invest across business-cycles

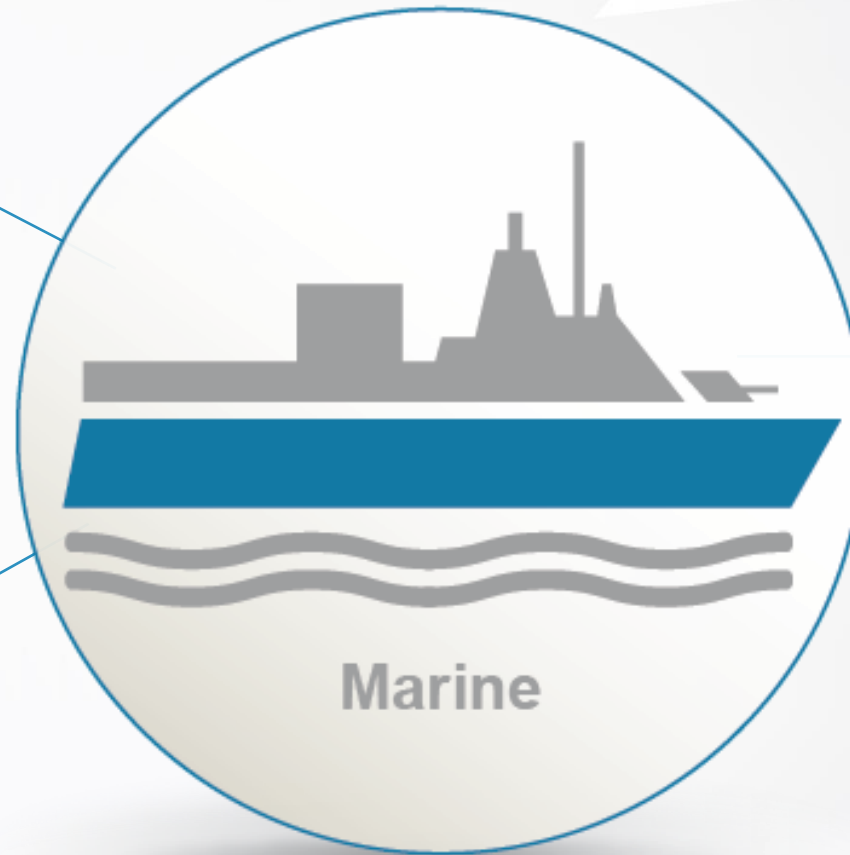
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THANK YOU

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