



2025 INVESTOR DAY

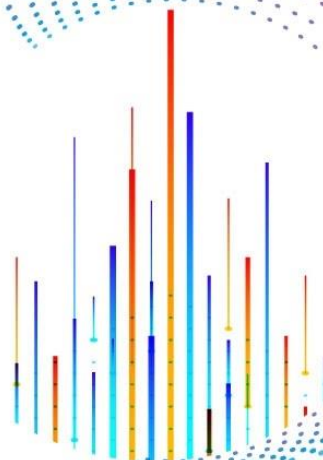
Journey to Growth

Robust Returns

Vincent Chong

Group President & Chief Executive Officer

18 March 2025



Disclaimer

The forward-looking statements in this presentation reflect the Company's current intentions, plans, expectations, assumptions and beliefs about future events as at the date of this presentation. 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. Some examples of these risk factors include disruption to global supply chains, general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, inflationary pressure, shifts in customer demand, governmental and public policy changes and natural disasters which may negatively impact business activities of the ST Engineering Group.

No assurance can be given that future events will occur, or that assumptions are correct. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

Targets exclude M&As and divestments.

Amounts stated in this presentation are denominated in Singapore Dollars unless otherwise stated.

2021 Investor Day Recap

2026
targets

Annual revenue to grow at 2 to 3 times global GDP growth rate to >\$11b¹

Sustainability-linked revenue to grow to >\$3b

Commercial Aerospace to achieve >\$3.5b in revenue

Smart City revenue to more than double to \$3.5b¹

Other Core Businesses



Grow Digital Business – Cloud, AI Analytics, Cyber

Net profits to grow in tandem with revenue



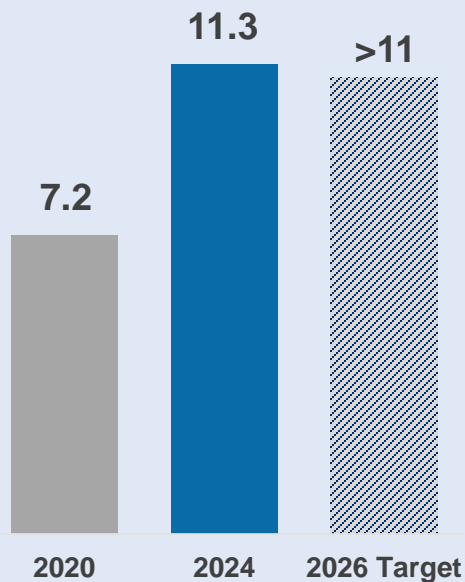
Note: 1. 2020 Base Year; TransCore closed in 1Q2022

Progress since 2021 Investor Day

Strong performance

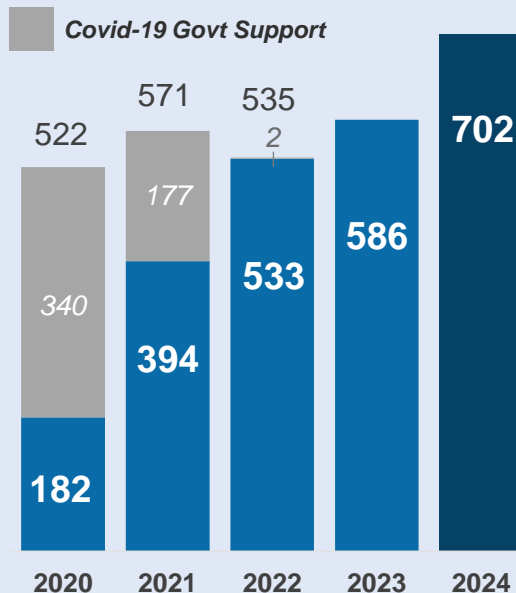


Group Revenue (\$'b)



Target: Grow 2-3x global GDP growth rate to >\$11b by 2026

Net Profit (\$'m)



Target: Grow in tandem with revenue

Return on Equity (%)



Target: Steady ROE above 20%

Well on-track to meet 2026 targets

2026 Targets (2020 base year)

Achievement
(as of 2024)

01 Annual revenue to grow at 2x to 3x global GDP growth rate to **>\$11b**

 **Achieved**

02 Commercial Aerospace to achieve **>\$3.5b** in revenue

 **Achieved**

03 Smart City revenue to more than double to **\$3.5b**

 **On Track**

04 Digital Businesses in Cloud, AI Analytics, Cyber to be **>\$500m**

 **Achieved**

05 Sustainability-linked revenue to grow to **>\$3b**

 **On Track**

06 Net profits to grow in tandem with revenue

 **On Track**

Sound strategy, strong execution



Strengthened core businesses
Pursuing growth opportunities

Operationalised customer-centric
organisation structure

Accelerated growth and capability building
through acquisitions

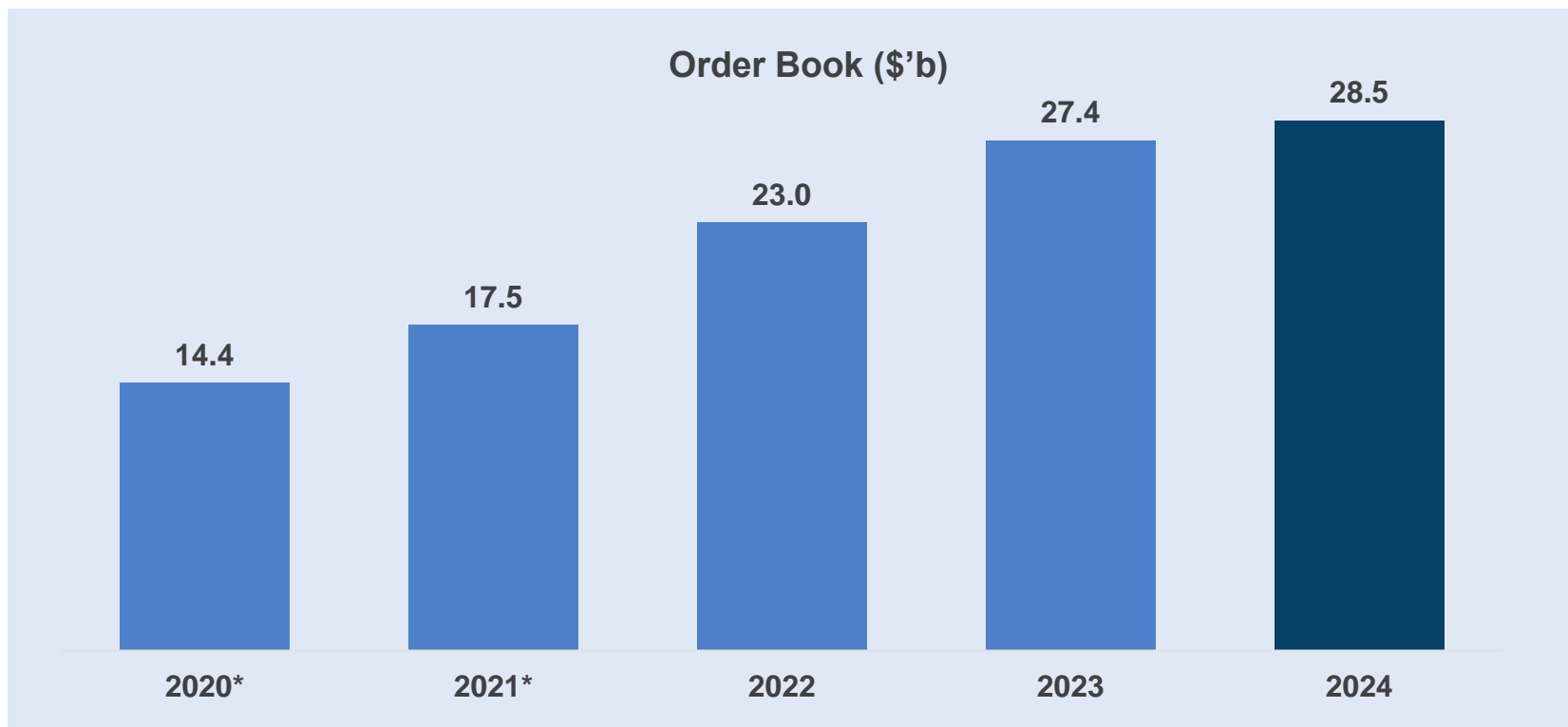
TRANSCORE **D'CRYPT**

Continued to capture synergies
and efficiencies

Strong foundation for growth



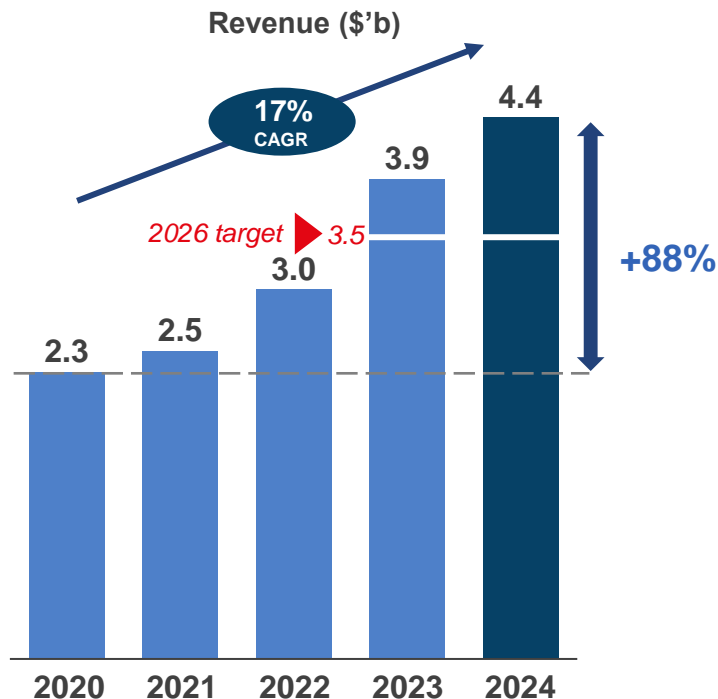
Robust order book, leading indicator of revenue growth



1

Strengthened core

Commercial Aerospace



**Exceeded
2026 targets**

**Expanding
hangar capacity**

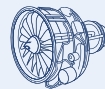
Continue to
streamline & optimise

**Well positioned
for further
growth**

Key Wins



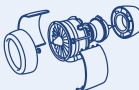
Exclusive OEM Airbus Freighter conversion solutions - A320 (on top of existing A330 & A321)



1st Asia Premier MRO Provider for CFM LEAP Engines



Multiple long-term LEAP contract wins



Nacelle Systems Provider for major aerospace OEMs



More than doubled Aviation Assets under Management to US\$2.3b

1

Soaring higher

Commercial Aerospace

Revenue to grow at 2x industry growth rate¹ to reach **\$6.0b** by 2029

- **Aerospace MRO**
- **Aerostructures & Systems**
- **Aviation Asset Management**

Next Bound Growth



Expand global business in MRO



Leverage new engine MRO capability



Deliver new-gen Nacelle products



Aviation Fund Structure



Efficiency & optimisation
(Automation & digitalisation)

2 Scaling Smart City Smart City

Revenue to grow by 3.5x global GDP growth rate to **\$4.5b¹ by 2029**

Our Smart City Business



Smart
Mobility



Smart
Environment



Smart
Security



Digital
Business &
Connectivity

- Leading Smart Mobility provider
- Integrated end-to-end capabilities
- Global footprint with synergies

Next Bound Growth



Expand go-to-market in
Middle East & Asia-Pacific



Leverage growth trends in **cloud, data centre, AI, cybersecurity**



Integrated approach, **modular** products, **scalable** systems

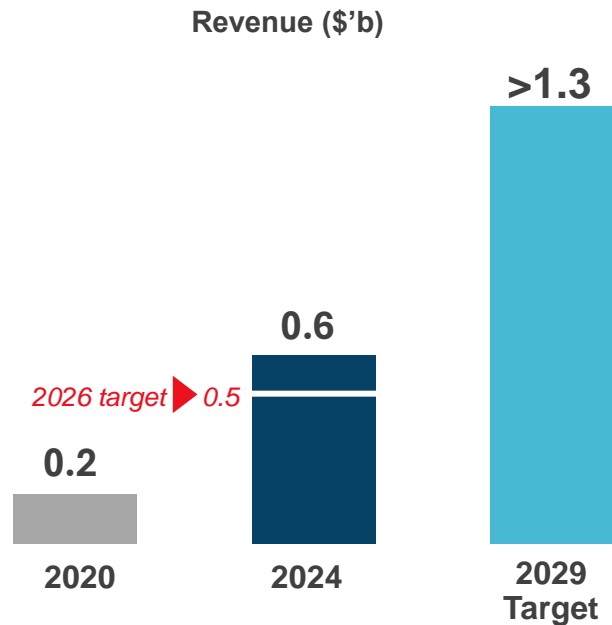


New **innovations** in **smart mobility, security, environment** and in **digital**

2 Scaling Smart City

Smart City – Digital Business

Digital Business revenue to **more than double by 2029**



Growth Drivers | Key Partners



Cloud & Data Centre



AI Analytics

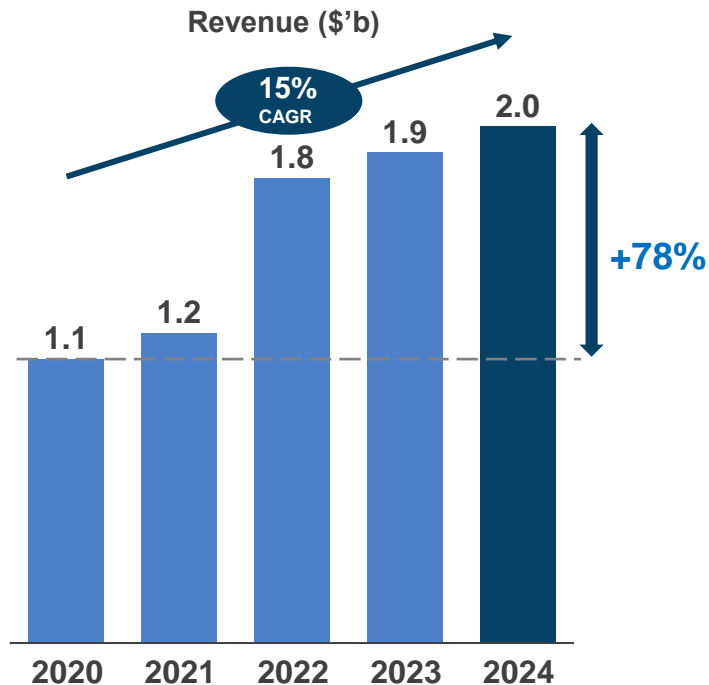


Cybersecurity



2

Strengthened core
**Smart City –
Urban Solutions & Satcom**



>70% revenues
outside of Singapore

Moved up value
chain – Mobility Rail

Launched next-gen Satcom multi-orbit,
virtualised software-defined platform

Key Wins



Mobility Rail
(Tier 1 Prime)
Kaohsiung, Taiwan



Toll Collection
New Jersey, U.S.



Smart Metro
Solutions
Bangkok, Thailand



Smart Carpark System
Dubai, UAE

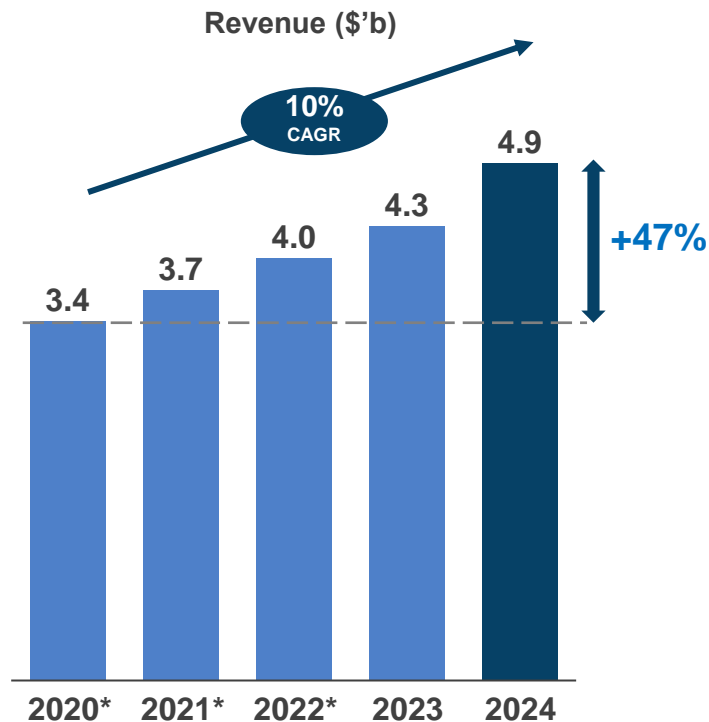


Toll Collection
Southeast Asia



Smart City OS
Lusail City, Qatar

3 Strengthened core Defence & Public Security



*Excludes U.S. Marine business divested in 2022



Organised for success

Strengthened Singapore core

Key Wins



Design and construction of **RSN Multi-Role Combat Vessel**



USV for **homeland security**



AI-enabled Systems & GPU Infrastructure for **government agencies**

Grew international market presence & partnerships

>\$2.2b

New International Defence Orders (2021-2024)

Key Wins



155mm NATO-grade Ammo **Europe**



Terrex 8x8 Infantry Fighting Vehicle (IFV) **Kazakhstan**



C-130 Upgrade & MRO **Asia-Pacific, MENA**

3 Capturing new opportunities Defence & Public Security



Addressable
International Defence Market

>US\$11b

Over next 5 years



Opportunities



Accelerated adoption of technology with short cycle tech capabilities



Increased defence spending due to heightened geopolitical tensions

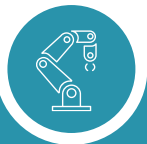


Greater demand for collaboration and localisation

4

Incubating new ventures

New growth areas



Construction Robotics

(Painting & others)



Hydrogen

- Decentralised hydrogen production (Hydrogen-in-a-Box)



Marine Renewables

- Offshore wind support vessels
- Alternative energy powered vessels

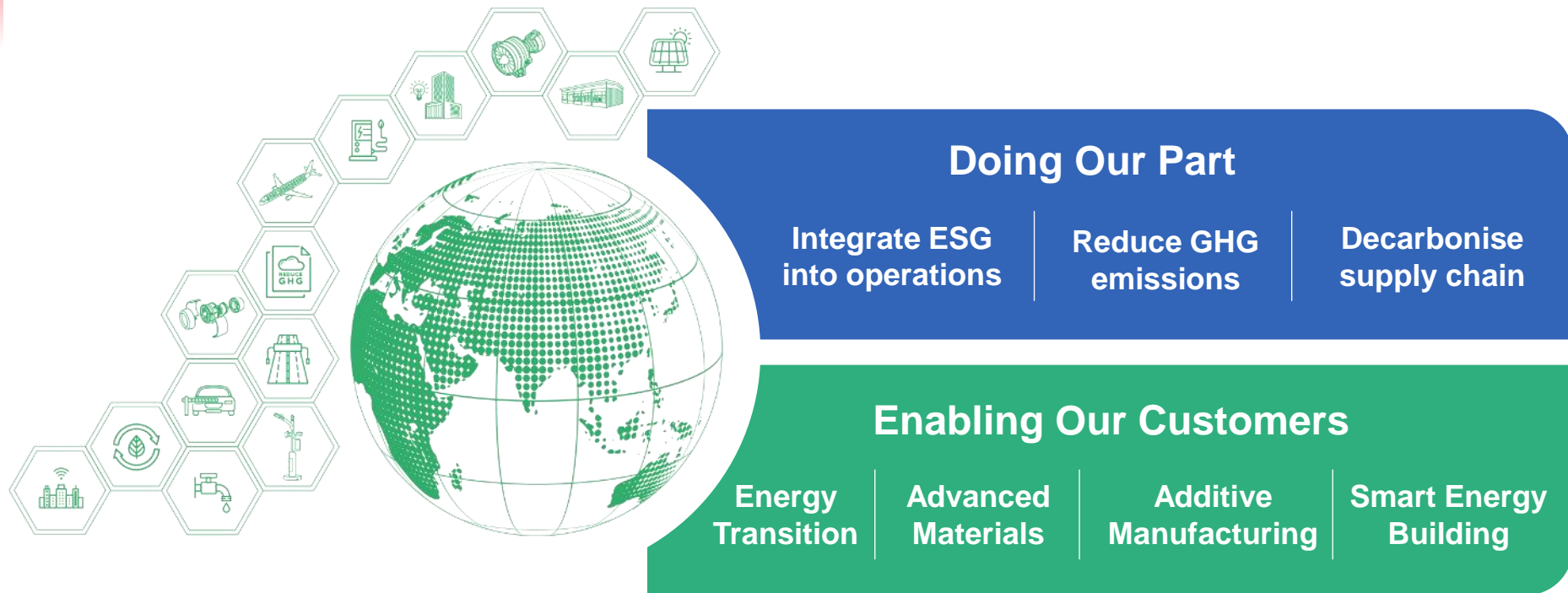


Explore new opportunities

- Technology opportunities that complement existing portfolio

Moving towards a more sustainable world

Sustainability is core to our business



Capturing Synergies



Cross-selling & product synergies



Reusable & dual-use technology modules

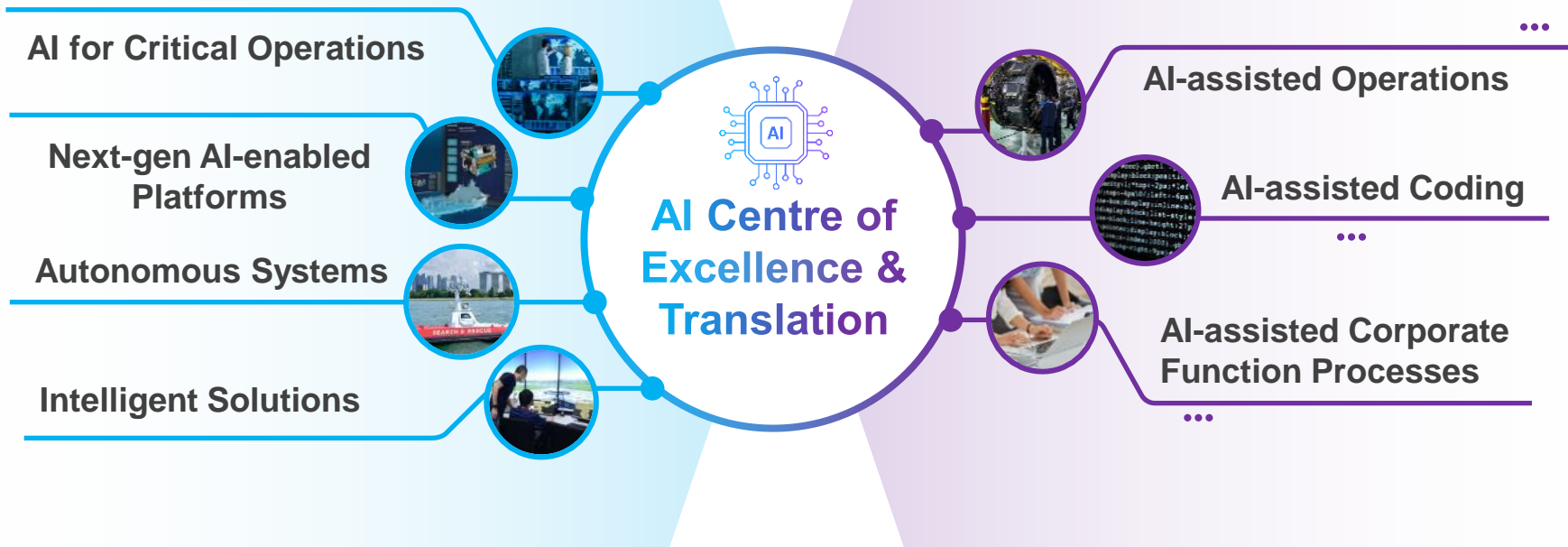


Shared resources & shared services

Technology & Innovation

Products & Solutions Empowering customers

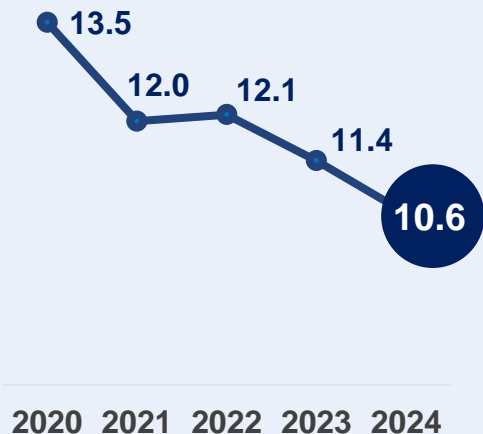
Productivity Tools Driving efficiency



Efficiency & Productivity

Total accumulated cost savings
of >\$900m from 2020-2024

OPEX / Revenue (%)



Strong cost controls –
continuous improvement
& productivity initiatives

Centralised
procurement & supply
chain management

Shared services

>\$1b

**Cumulative
Savings
(2025-2029)**

Dividend Policy

Dividend Plan for FY2025

- For **FY2024**, proposed total dividend is 17.0 cents per share. Includes final dividend of 5.0 cents per share, subject to shareholder approval at the 2025 AGM on 24 April 2025.
- For **FY2025**, given current robust retained earnings and a strong five-year outlook, the Company plans to propose an increase in the total dividend to 18.0 cents per share, comprising:
 - Interim dividend of 4.0 cents per share for each of the first three quarters;
 - Final dividend of 6.0 cents per share, subject to shareholder approval at the 2026 AGM.
- As and when the Board declares an interim dividend for the first three quarters of FY2025, the Company will announce the relevant record date and payment date on SGXNet. The final dividend, which is scheduled for payment in May 2026, is subject to shareholder approval at the 2026 AGM scheduled to be held in April 2026. The record date and payment date for this final dividend will be announced in conjunction with the release of the Group's full year results for FY2025.

Dividend Policy Effective for FY2026 and onwards

The Company is targeting further growth in revenue, operating cash flow and net profit with an objective to improve total shareholders' return (TSR). It intends to re-invest for growth while rewarding shareholders with dividends as described below.

Barring unforeseen circumstances, as the Company achieves progressively higher full-year net profit, it will pay out about $\frac{1}{3}$ of its year-on-year increase in net profit as incremental dividends. The Company will pay dividends on a quarterly basis.

Navigating uncertainties and challenges



Strategy Execution

- Focused strategy execution and risk mitigation
- Continual portfolio management

16 businesses divested/ceased since 2016; 5 since 2021



Supply Chain

- Enhance supply chain resilience



Geopolitical Tensions

- Agile response to changes in operating environment

Journey to yield cum growth



2025 Investor Day: Five-year Targets (2025-2029)

(Base year 2024)

Strengthen Core Business | Pursue Growth Opportunities

**Group Revenue
to grow >2.5x
global GDP
growth rate¹ to \$17b**

**Group Net Profit
CAGR to exceed
Group Revenue
CAGR² by up to 5
percentage points**

**Dividend per
share to increase
in tandem with
profit³**

Targets exclude M&As and divestments

Notes:

1. Average GDP growth rate over next 5 years as per IMF projection ~3.15%

3. Refer to dividend policy announced on 18 March 2025

2. CAGR: Compound Annual Growth Rate

2025 Investor Day: Five-year Targets (2025-2029)

(Base year 2024)



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growth rate¹ to \$17b

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Dividend per share
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Technology & Innovation at Our Core



Targets exclude M&As and divestments

Notes:

1. Average GDP growth rate over next 5 years as per IMF projection ~3.15%
2. CAGR: Compound Annual Growth Rate
3. Refer to dividend policy announced on 18 March 2025

4. Next 5-year CAGR of global aerospace MRO & OE markets

Thank you

