

28th Annual General Meeting

Vincent Chong

Group President & Chief Executive Officer

24 April 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.

Aspiration

**Become a Global Technology, Defence and Engineering
Powerhouse**

Corporate Purpose

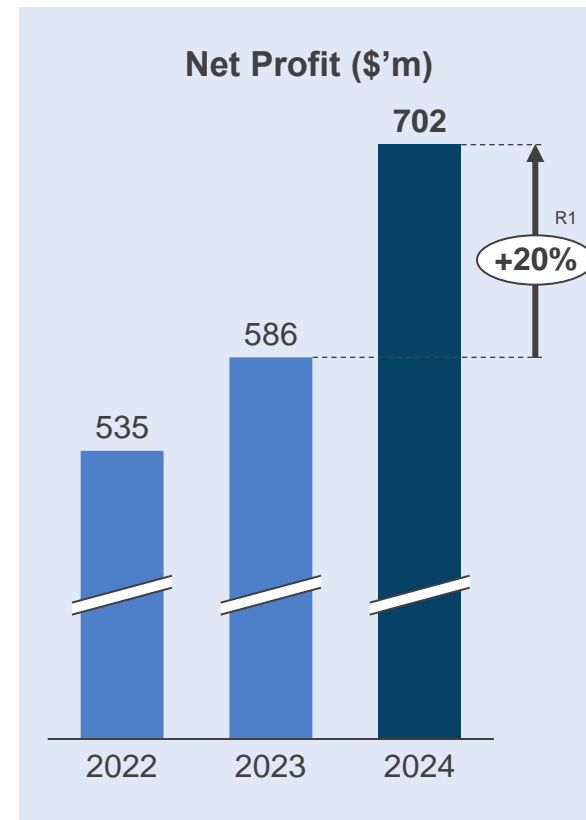
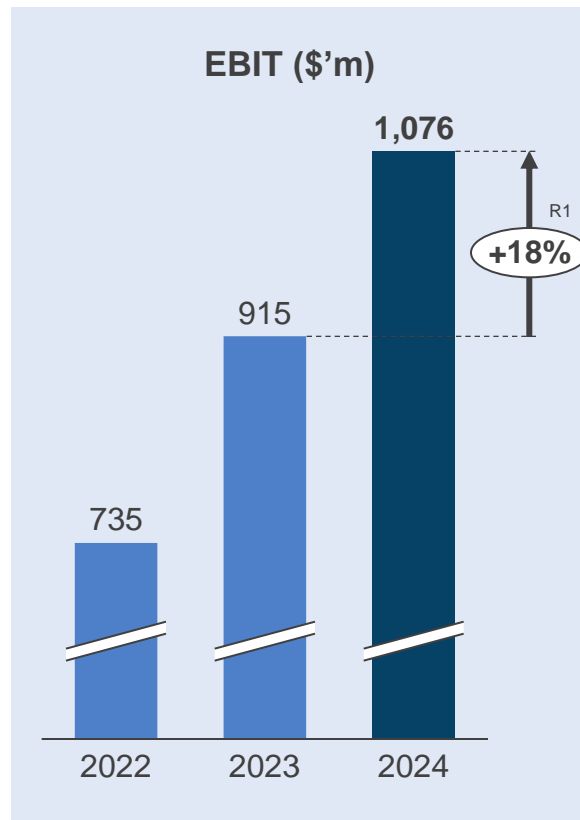
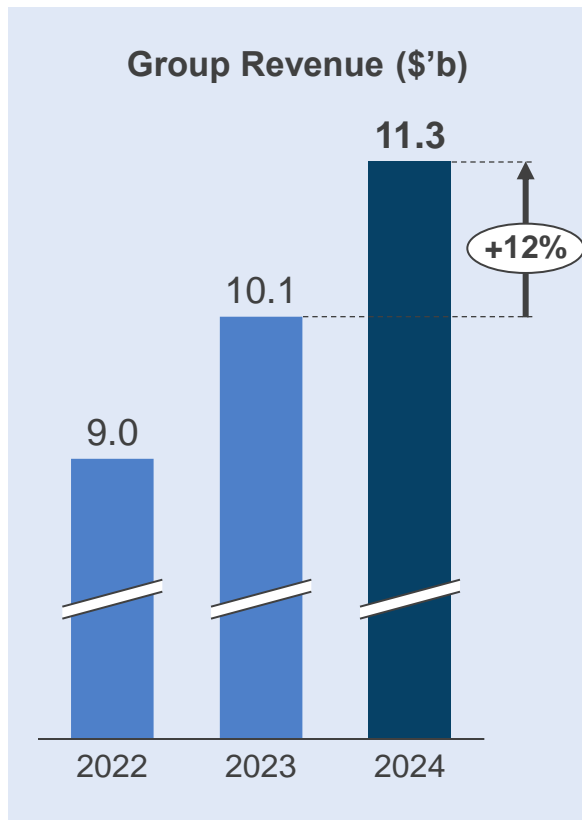
**Harness Technology and Innovation to enable a more
secure and sustainable world**



Financial Year 2024 Highlights

Record Revenue and Net Profit

Strong performance



Commercial Aerospace

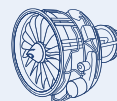
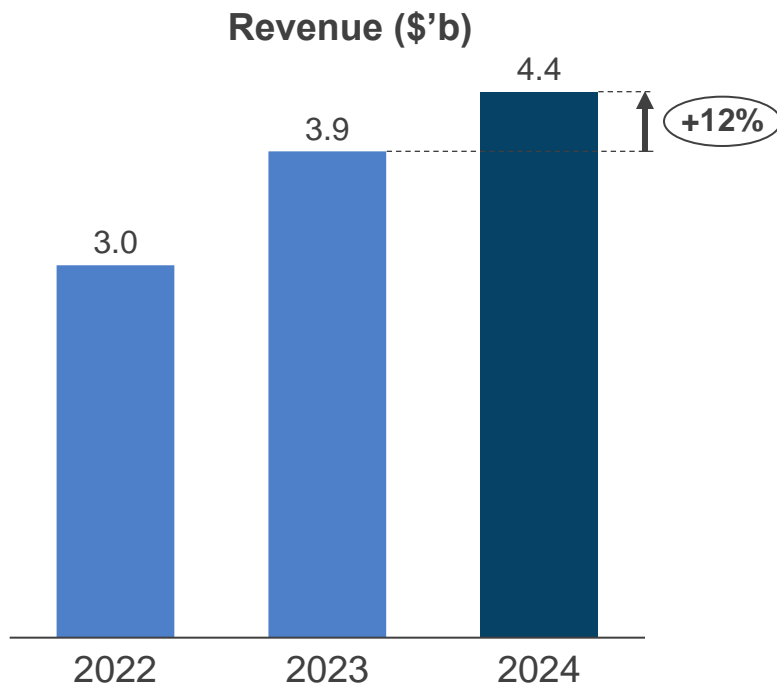
Highlights

Expanding hangar capacity

Continue to streamline & optimise



Well positioned to grow in a strong market



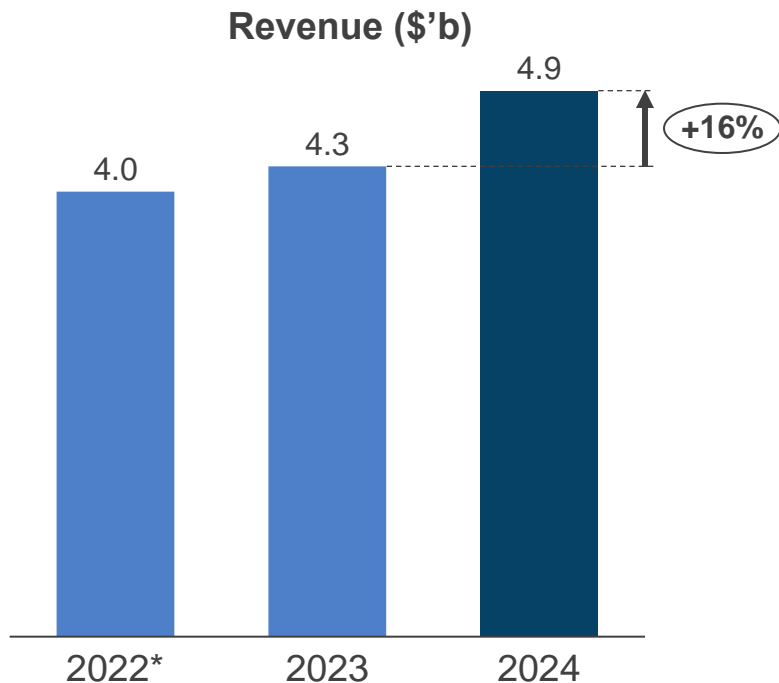
Multiple CFM LEAP Engines contract wins as the first Premier MRO Provider in Asia



More than doubled Aviation Assets under Management to US\$2.3b since 2020

Total contract wins in 2024: \$4.7b

Defence & Public Security



*Excludes U.S. Marine business divested in 2022

Highlights

Strengthened Singapore core

Grew international market presence & partnerships

>\$2.2b

New International Defence Orders
(2021-2024)



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



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



40mm & 155mm NATO-grade Ammo
Europe

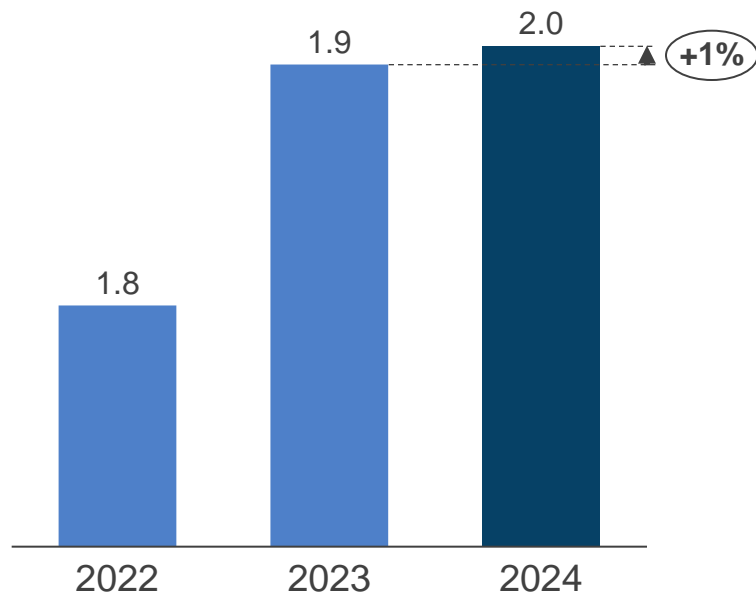


Terrex 8x8 Infantry Fighting Vehicle (IFV)
Kazakhstan

Total contract wins in 2024: \$5.3b

Smart City – Urban Solutions & Satcom

Revenue (\$'b)



Highlights

Moved up value chain –Tier 1 Prime in Mobility Rail

Satcom

Launched next-gen Multi-Orbit
Satcom platform

4Q2024 operating EBIT marginally
positive amidst continuing challenges

Synergistic wins for TransCore



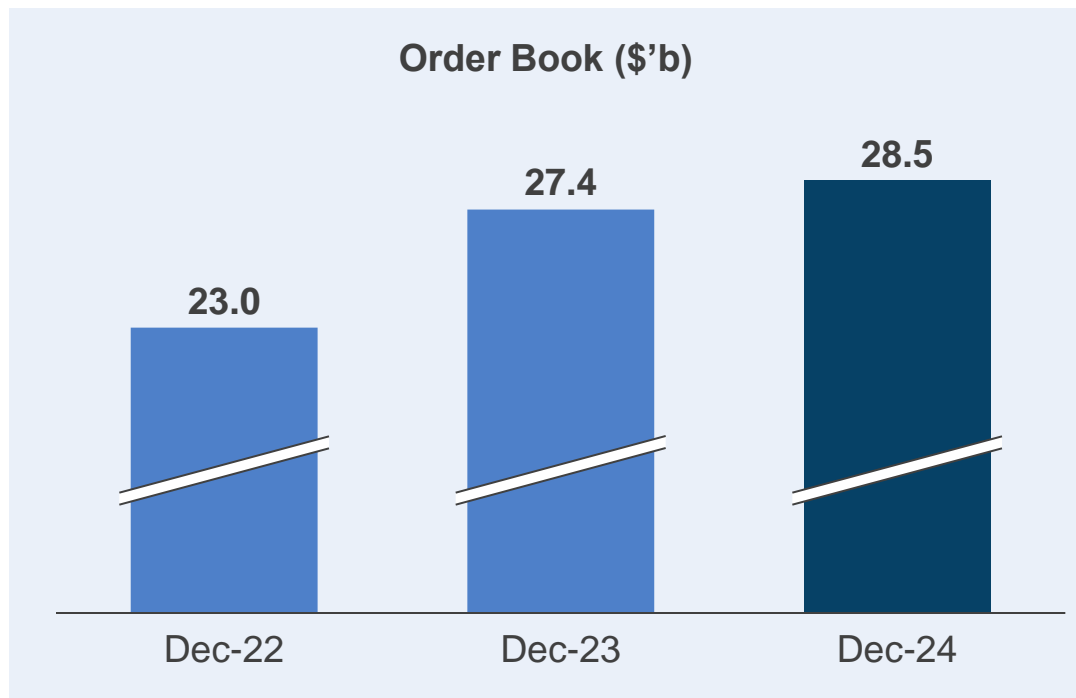
Electronics Toll
Collection
Southeast Asia



Smart Carpark System
Dubai, UAE

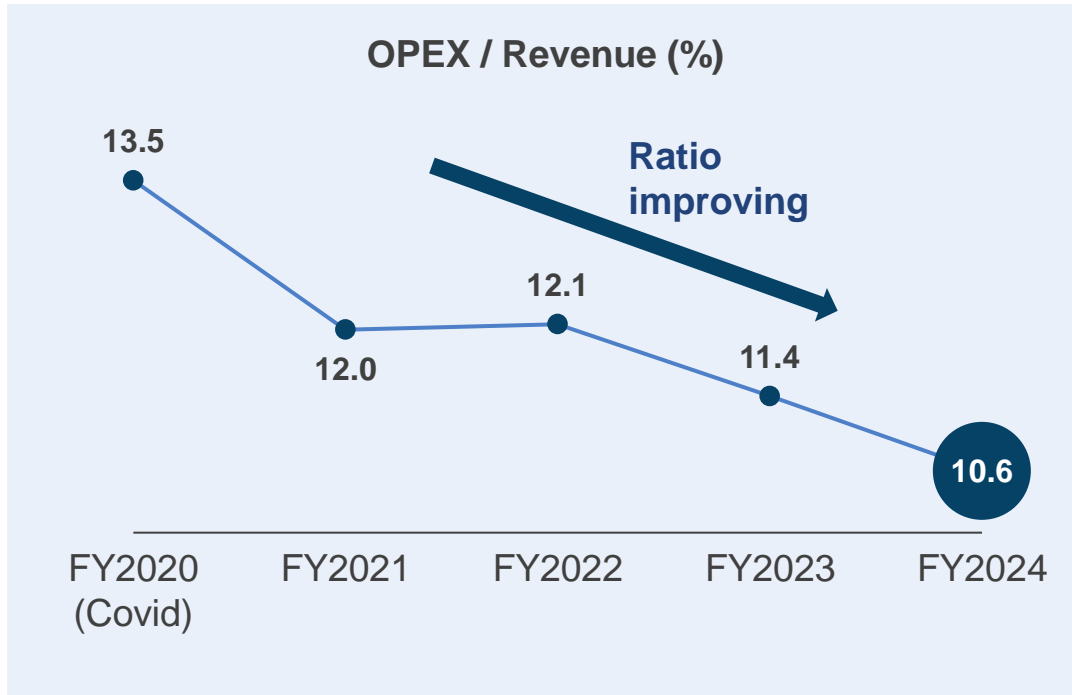
Total contract wins in 2024: \$2.6b

Robust order book provides revenue growth visibility



- \$12.6b new contract wins in 2024
- Order book of \$28.5b as at 31 Dec 2024

Continuous improvement in productivity

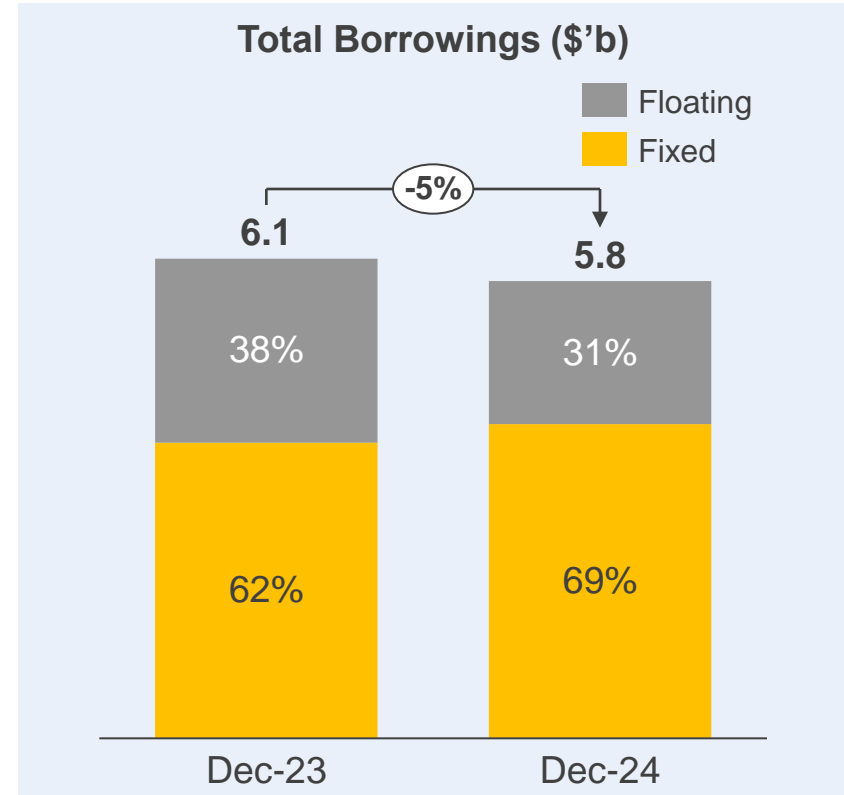


- Achieved lowest OPEX / Revenue
- Higher productivity mitigates inflation

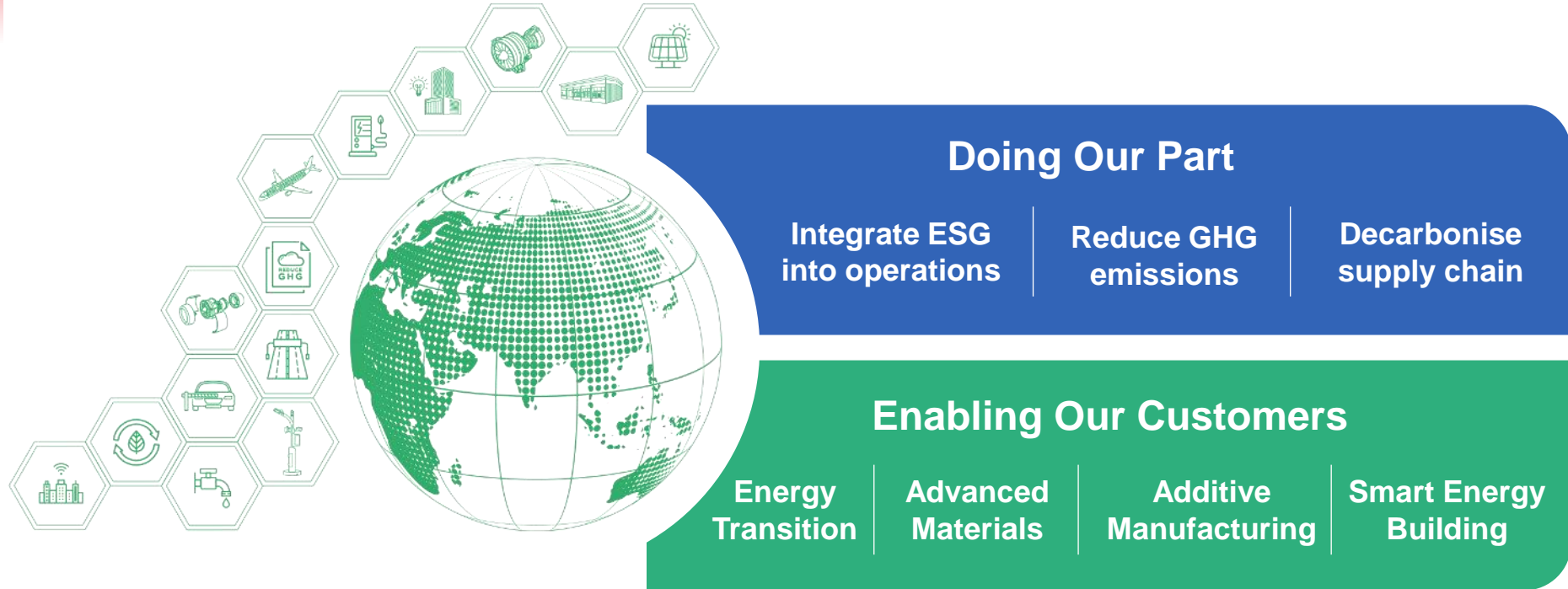
Balanced debt profile

- Borrowings reduced from \$6.1b to \$5.8b.
- Gross Debt/EBITDA leverage ratio reduced from 4.2x in 2023 to 3.6x in 2024.
- Group weighted average borrowing cost for FY2024 was 3.6% and for FY2025 expected to be mid 3%.
- Continued strong credit ratings of Aaa/stable by Moody's¹ and AA+/stable by S&P¹.

¹Moody's – 4 Apr 2025 published report; S&P – 13 Jun 2024 published report

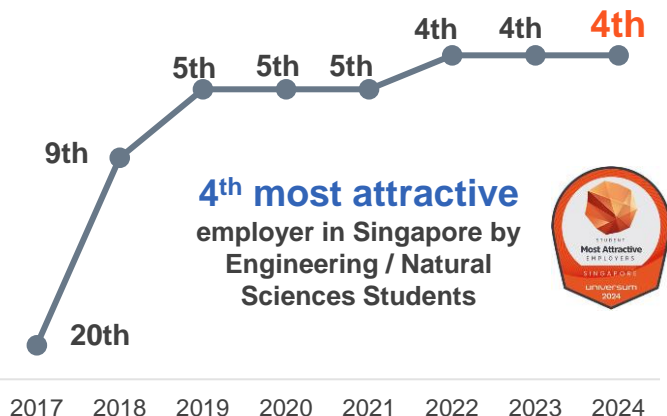


Sustainability is core to our business



Strengthening employer branding & continuous community outreach

Employer of Choice



Community Outreach



Improving lives
through charitable gifts



Empowering lives
through education



Transforming lives
through Technology and Innovation



2025 Investor Day Mid-term Plans

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

Technology & Innovation at Our Core



Targets exclude M&As and divestments

Notes:

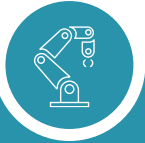
1. Average GDP growth rate over next 5 years as per IMF projection ~3.15%

3. Refer to dividend policy announced on 18 March 2025

2. CAGR: Compound Annual Growth Rate

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

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

Technology & Innovation

Investing ~4 to 5% of Group Revenue annually in R&D

Products & Solutions Empowering customers

AI for Critical Operations



Next-gen AI-enabled
Platforms



Autonomous Systems



Intelligent Solutions



AI Centre of Excellence & Translation



Productivity Tools Driving efficiency

AI-assisted Operations



AI-assisted Coding



AI-assisted Corporate
Function Processes



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



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

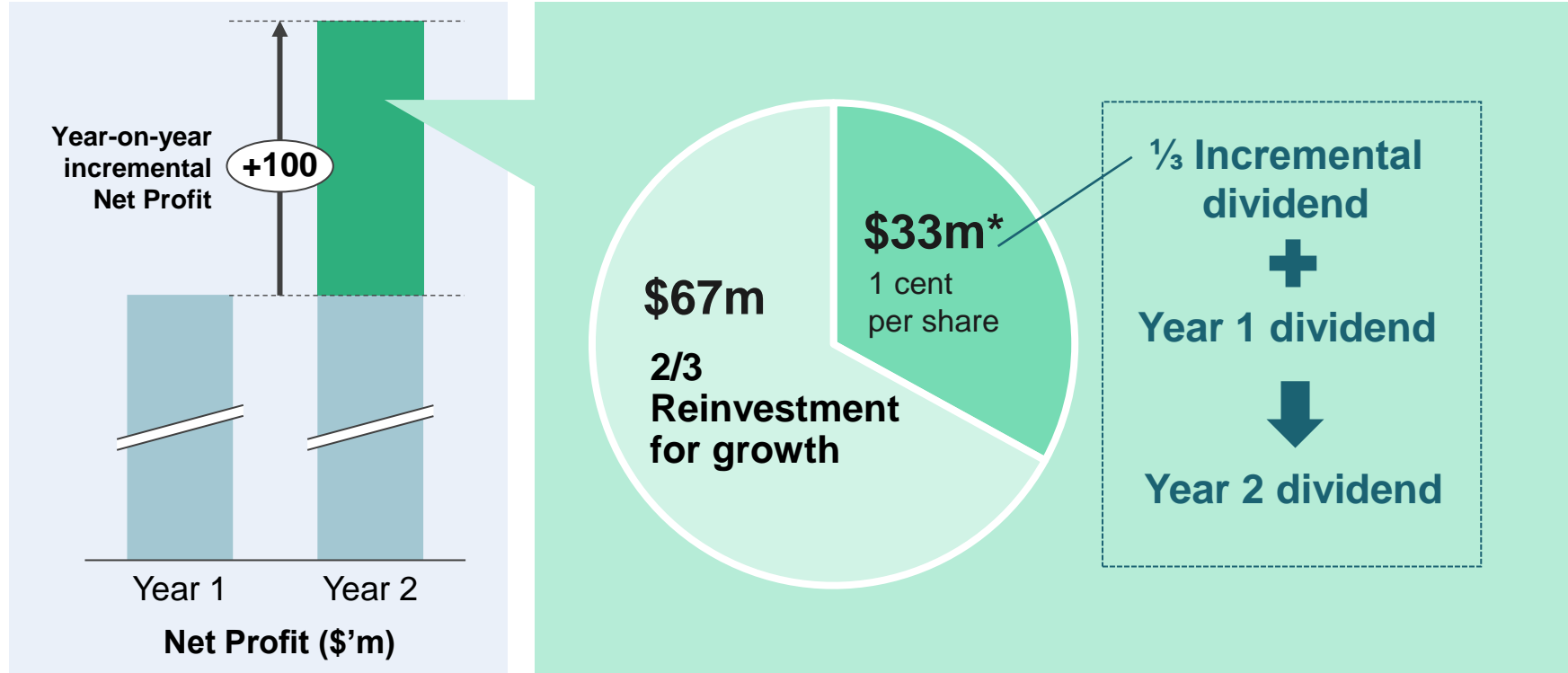
The Company is targeting further growth in revenue, operating cash flow and net profit with an objective to improve total shareholders' return (TSR). It intends to re-invest for growth while rewarding shareholders with dividends as described below.

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.



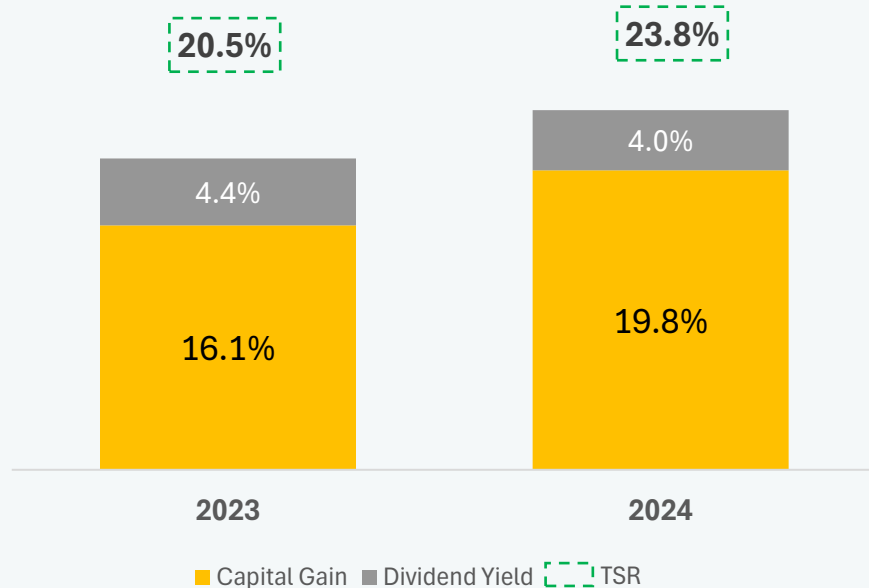
Illustration of new Dividend Policy

(As an example of year-on-year net profit increase)



Creating value for shareholders

Total Shareholder Return (TSR %)



Return on Equity (FY2024)

26.3%

FY2023: 23.8%

▲ 10%

Dividends Per Share (FY2024)

17.0¢

FY2023: 16.0¢

▲ 6%



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