

First-Half 2021 Results

12 August 2021

Agenda

- New Segment Reporting
- Group Highlights
- Outlook
- Segment Highlights
- Appendix

New Segment Reporting

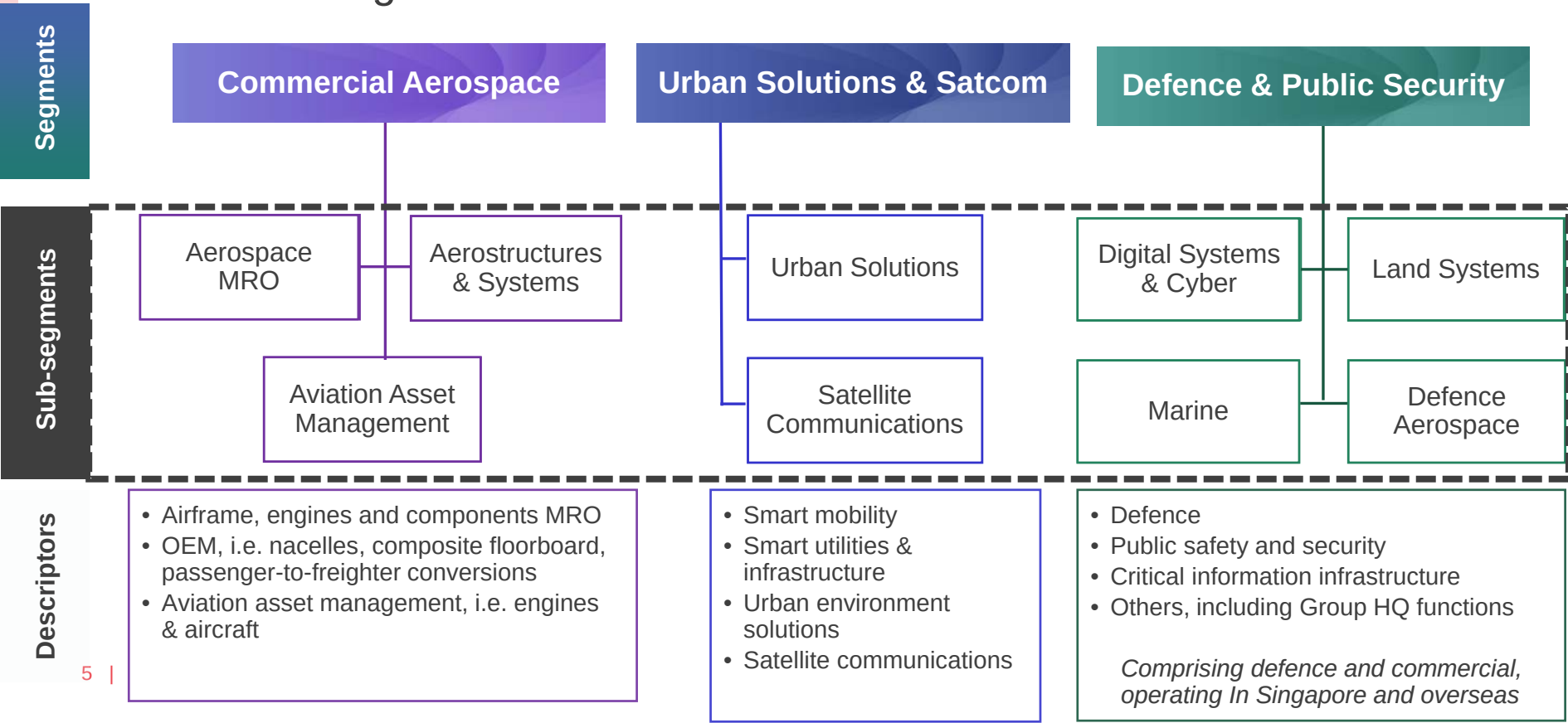
New Segment Reporting

Three business segments



New Segment Reporting

Nine Sub-segments



Group Highlights

Group Highlights

1H2021 Net Profit 15% higher year-on-year

Revenue

3,651

+2% y-o-y

EBIT

355.1

+13% y-o-y

PBT

339.8

+19% y-o-y

Net Profit

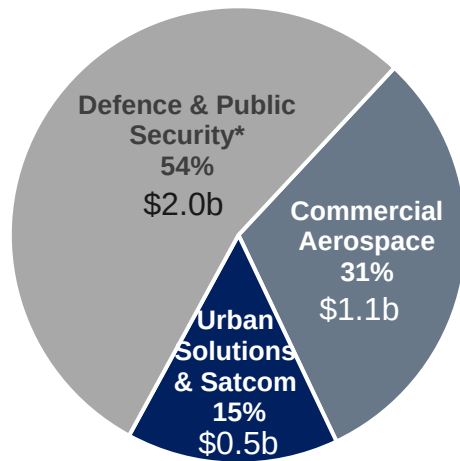
296.1

+15% y-o-y

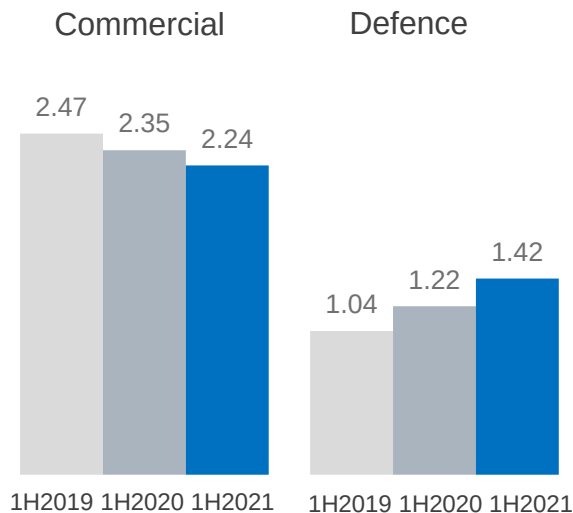
Group Highlights

Group 1H2021 Revenue breakdown

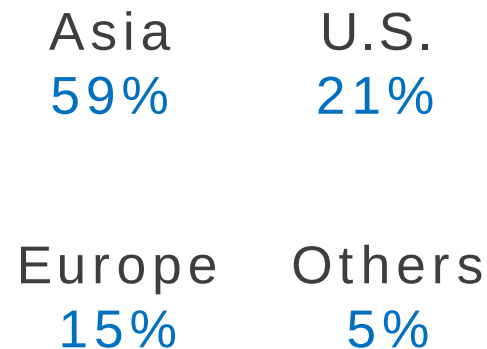
1H2021 Revenue S\$3.7b



1H2021 Revenue by type (S\$b)



1H2021 Revenue by location of customers



Notes:

- 8 | * DPS includes defence, public safety and security, critical information infrastructure and other commercial businesses, both local and overseas
- amounts may not add up due to rounding

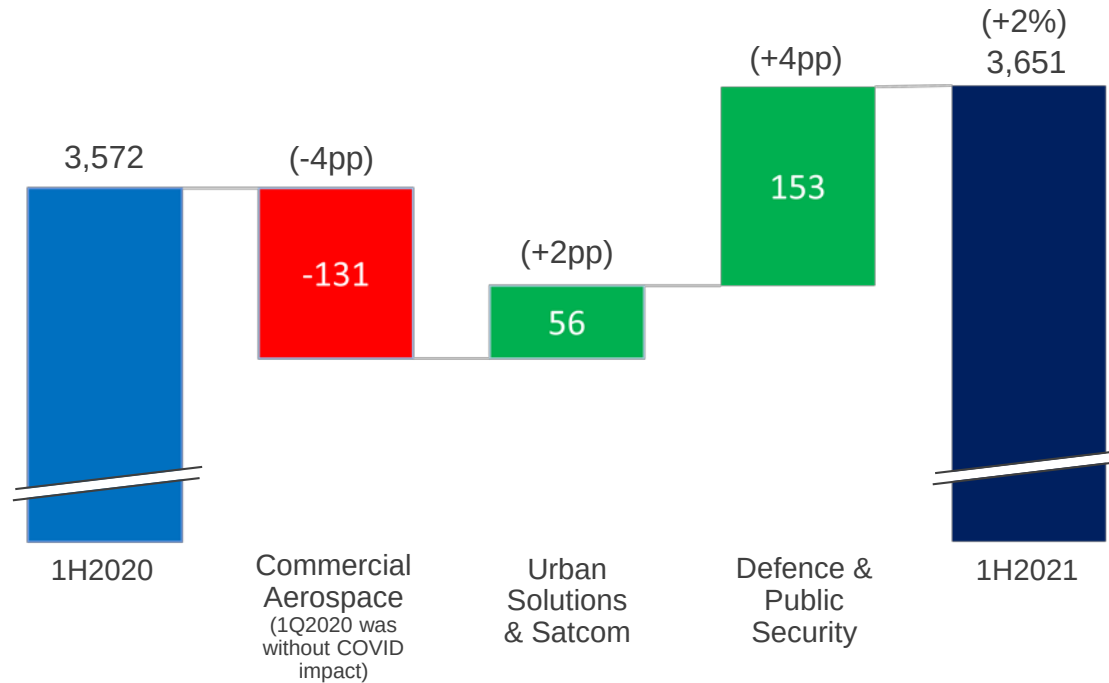
Group Highlights

Group Revenue

S\$m	1H2021	1H2020	Change
Commercial Aerospace	1,136	1,267	-10%
Urban Solutions & Satcom	528	471	+12%
Defence & Public Security	1,987	1,834	+8%
Group	3,651	3,572	+2%

Group Highlights

1H2021 revenue growth of DPS and USS more than offset CA's revenue decline



Notes:

10 | • All figures are denominated in S\$m unless indicated otherwise; amounts may not add up due to rounding

Group Highlights

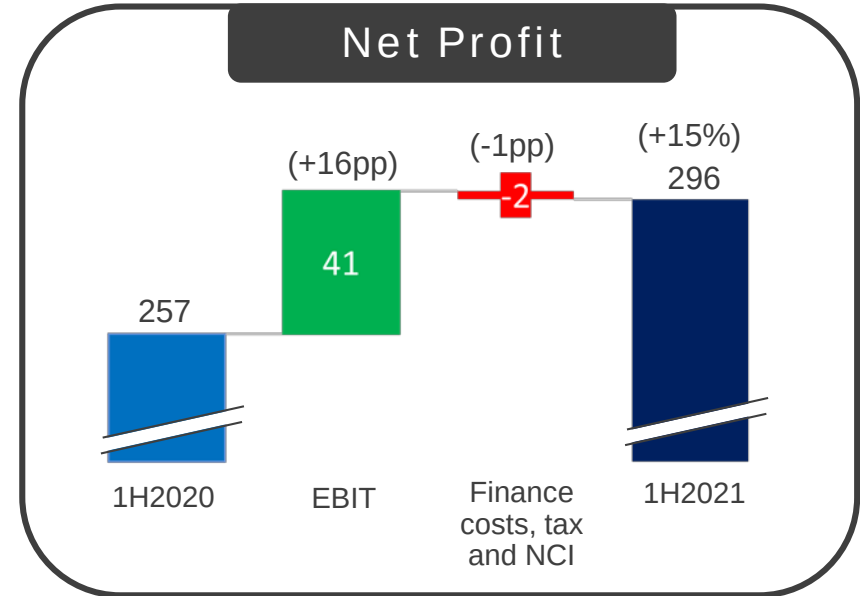
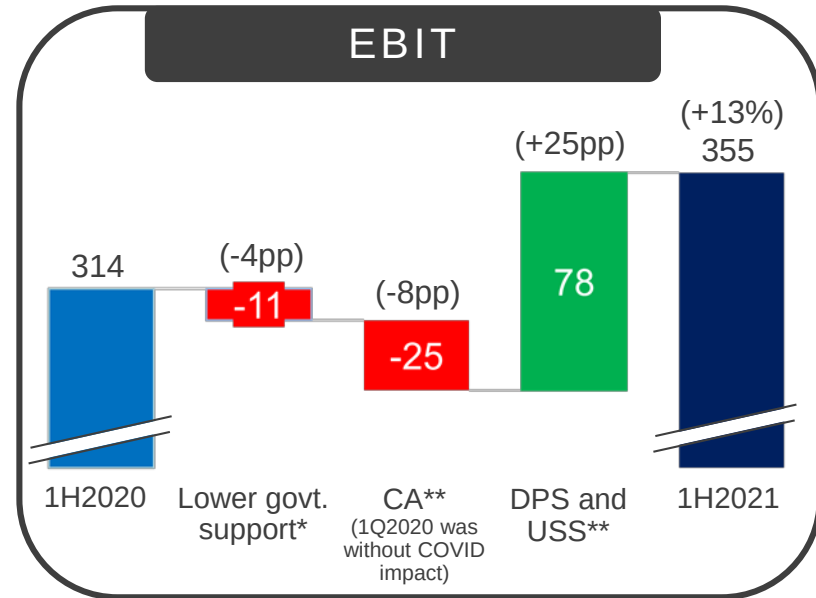
Group EBIT

S\$m	1H2021	1H2020	Change
Commercial Aerospace	102.6	74.7	+37%
Urban Solutions & Satcom	10.8	(21.0)	NM
Defence & Public Security	241.7	260.4	-7%
Group	355.1	314.1	+13%

NM: Not Meaningful

Group Highlights

1H2021 EBIT growth of DPS and USS more than offset lower government support and CA's EBIT decline



Notes:

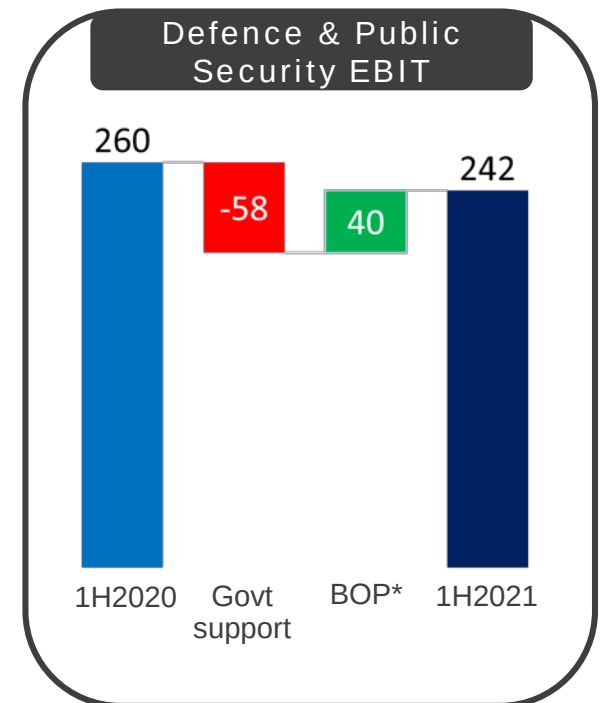
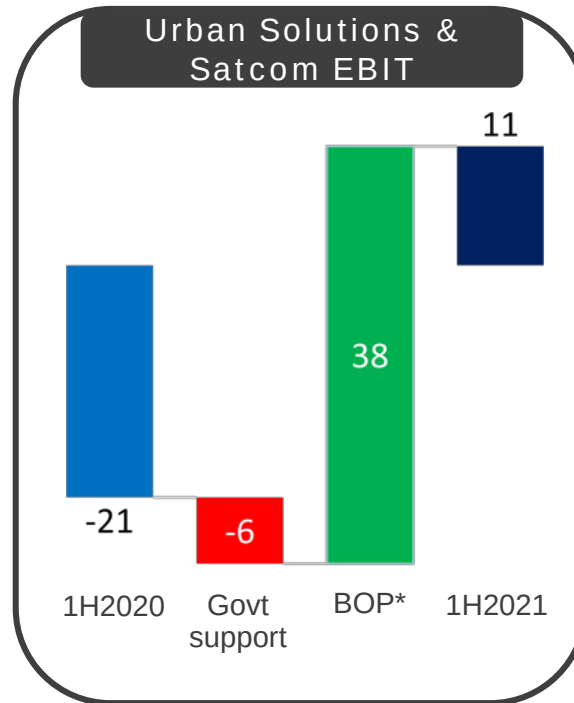
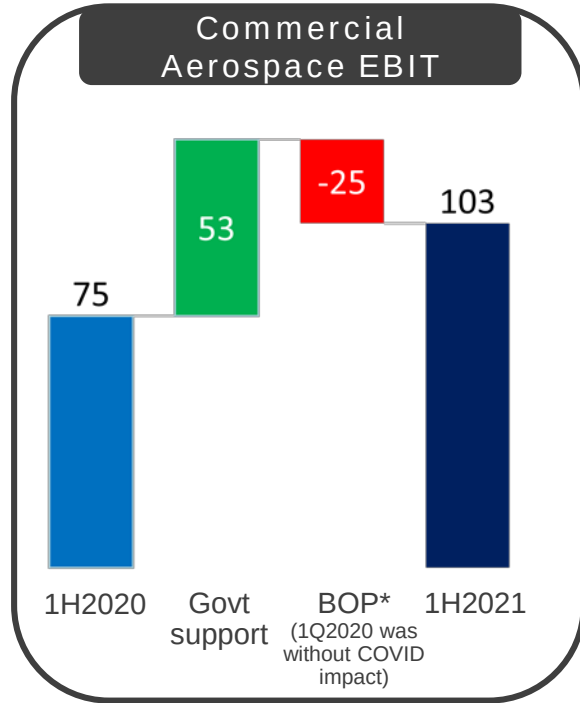
* Reduction in govt. support was less than anticipated; the reduction in govt support will be more significant in 2H2021.

** Excluding govt. support

- All figures are denominated in S\$m unless indicated otherwise; amounts may not add up due to rounding

Group Highlights

Impact of government support on segments' 1H2021 EBIT



Notes:

13 | * Base operating performance, excluding govt. support

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Group Highlights

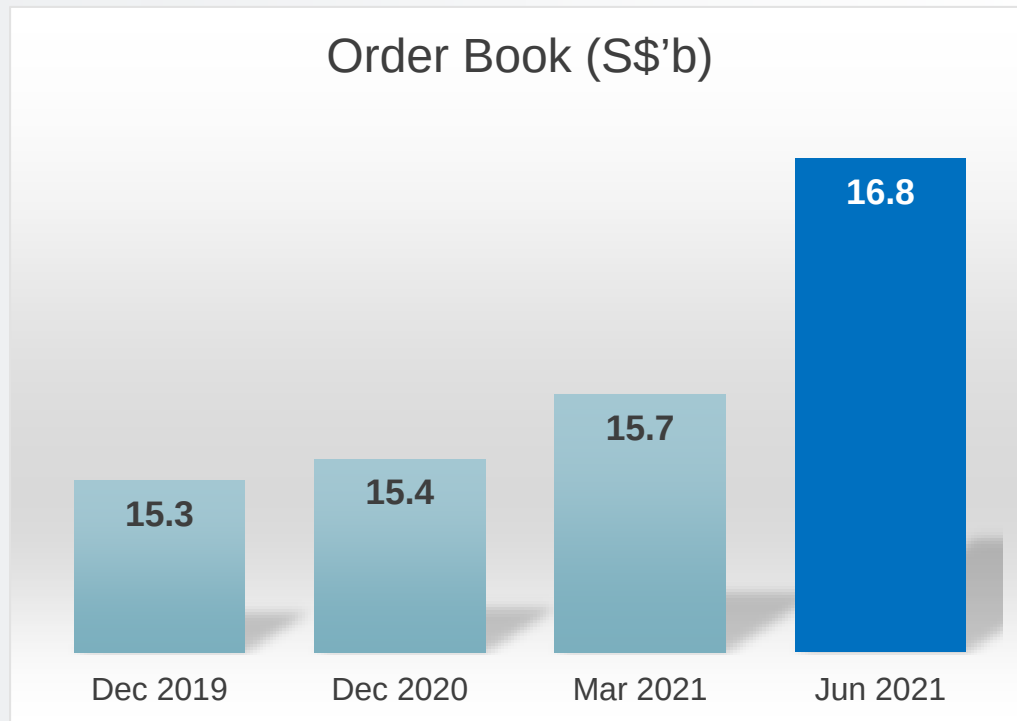
>\$1.82b worth of new contracts secured in 2Q2021

	2Q2021*	Highlights
Commercial Aerospace	\$874m	• 5-year contract to support an Asian Pacific airline in airframe heavy maintenance for its Boeing 787 fleet • A321P2F and A330P2F contracts from operators and lessors including MNG Airlines • Engine heavy maintenance MRO contract from Alaska Airlines and an Asian airline • Orders for customised composite panels from international airlines and composite floor panels from an European train manufacturer
Urban Solutions & Satcom	\$284m	• Rail electronics in Singapore, Thailand, China and our first Passenger Information System solution in Egypt for the 10th of Ramadan City Railway • Smart utilities and integrated security management solutions for customers in Singapore • Satcom ground infrastructure across key market verticals, including with Eutelsat for the launch of their flexible and scalable global Network-as-a-Service offering
Defence & Public Security	\$660m	• Cybersecurity products, solutions and services • Mission critical & data analytics systems and cloud managed services • Construction of T-AGS 67 Oceanographic Survey Ship for the U.S. Navy, and other defence contracts
Total	\$1,818m	

Group Highlights

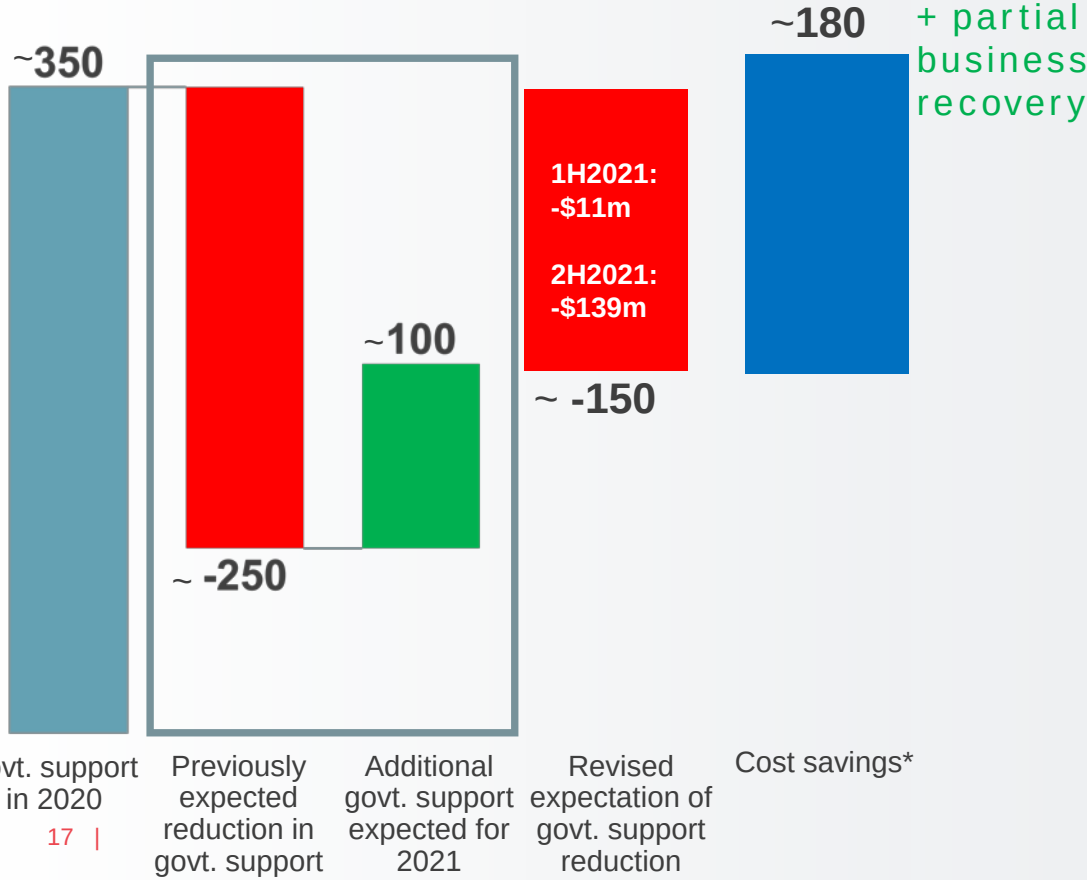
Robust order book of \$16.8b

- Order book level higher than pre-COVID, contributed by all business segments
- \$3.6b expected to be delivered in the remaining months of 2021



Outlook

All figures are denominated in S\$m unless indicated otherwise



Higher than expected government support in 2021

- Cost savings and partial business recovery will offset reduction in government support

*** Part of cost savings will be reinvested for growth**

Group President & CEO's Message



"We delivered a good set of results for the first half of 2021 amidst a challenging operating environment. We had also secured contract wins across our businesses that led to a robust order book, which continues to provide revenue visibility in the periods ahead."

We remain steadfast in the pursuit of our strategy to emerge stronger as the business environment improves. The diversity of our business portfolio, and our focus on seizing growth opportunities, coupled with productivity and cost management measures will continue to position us well into the future."

Vincent Chong, Group President & CEO

Thank you

Segment Highlights

Commercial Aerospace

Segment Highlights

Commercial Aerospace

1H 2021 vs 1H 2020

Revenue **\$1,136m** ▼ **\$131m or 10%**

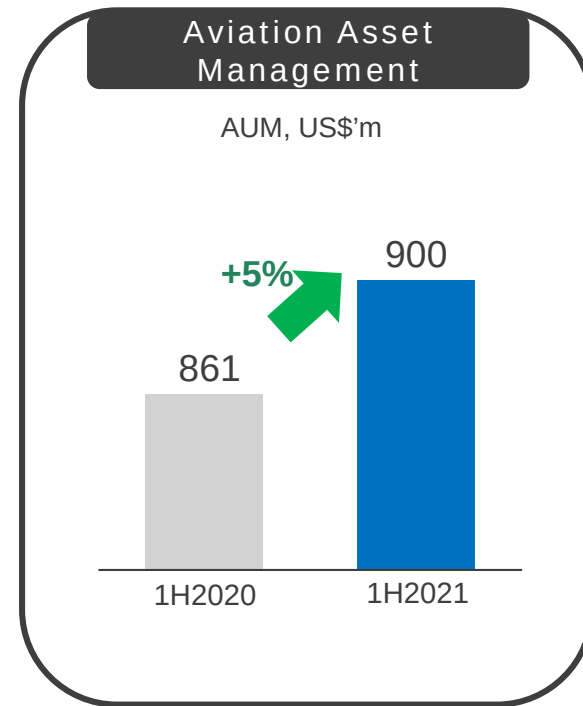
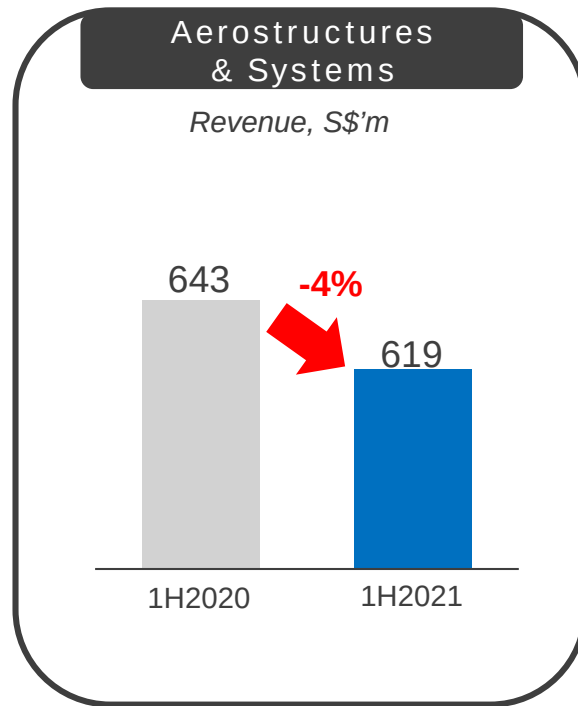
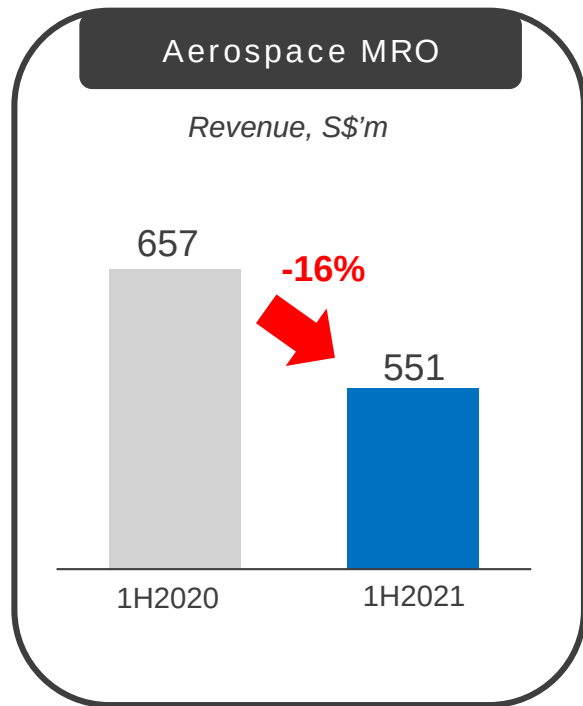
- Attributable to Aerospace MRO and Aerostructure & Systems, as 1Q2020 was pre-COVID-19.

EBIT **\$102.6m** ▲ **\$27.9m or 37%**

- Due to higher government support, partially offset by impact of lower revenue.

Segment Highlights

Commercial Aerospace sub-segment highlights



Notes:

- 23 | - Revenue include inter-segment and inter-subsegment sales
 - Amounts may not add up due to rounding

Urban Solutions & Satcom

Segment Highlights

Urban Solutions & Satcom

1H 2021 vs 1H 2020

Revenue**\$528m****▲ \$56m or 12%**

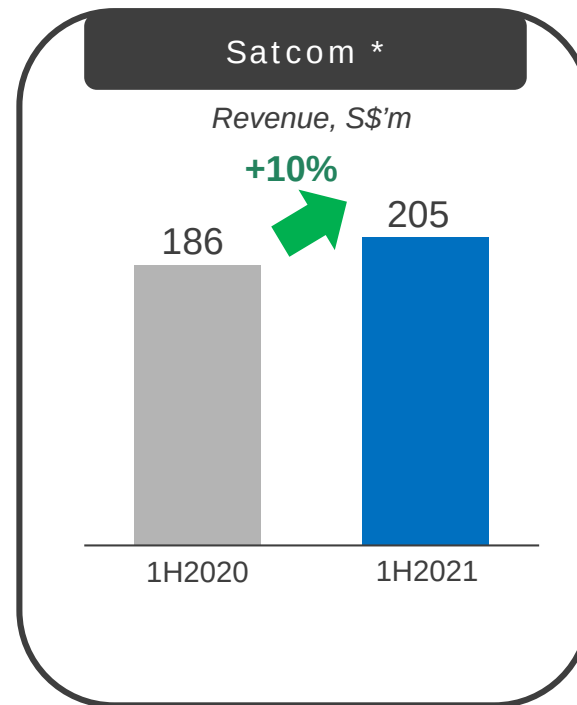
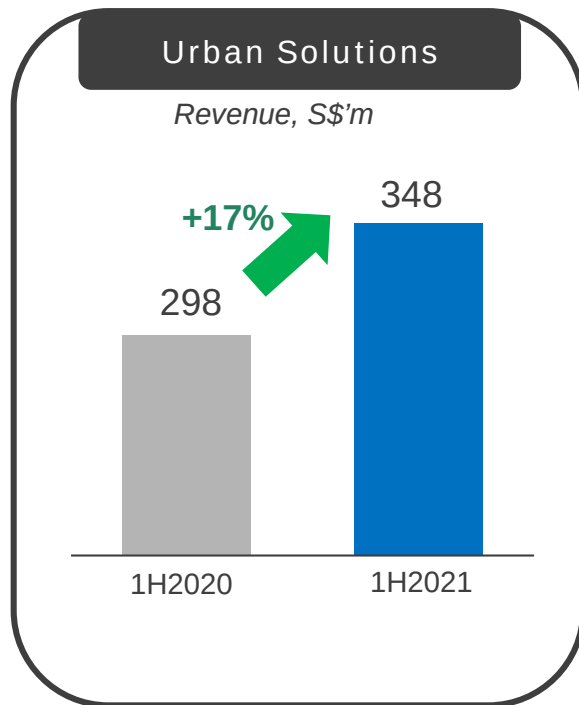
- Contributed by Smart Mobility and Satcom businesses

EBIT**\$10.8m****▲ \$31.8m**

- Contribution from higher revenue and lower operating expenses, partially offset by lower government support

Segment Highlights

Urban Solutions & Satcom sub-segment highlights



Notes:

- 26 | - Revenue include inter-segment and inter-subsegment sales
 - Amounts may not add up due to rounding

* Satcom was impacted by semi-conductor chip shortages and we are monitoring the supply chain closely

Defence & Public Security

Segment Highlights

Defence & Public Security

1H 2021 vs 1H 2020

Revenue **\$1,987m** ▲ **\$153m or 8%** • Contributed by all sub-segments

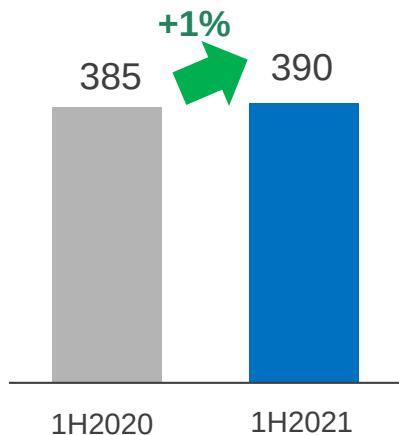
EBIT **\$241.7m** ▼ **\$18.7m or 7%** • Due to lower government support, partially offset by contribution from higher revenue, cost savings and one-off liquidation proceeds

Segment Highlights

Defence & Public Security sub-segment highlights

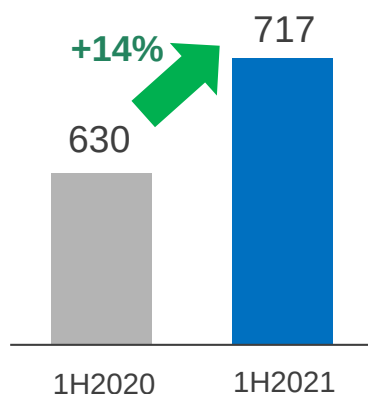
Marine

Revenue, S\$m



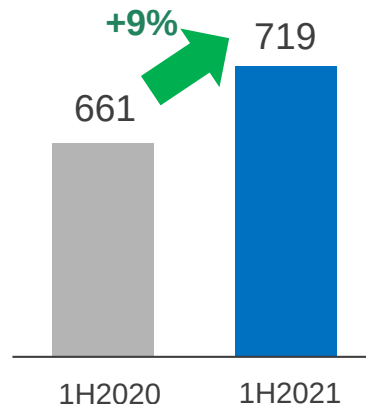
Land Systems

Revenue, S\$m



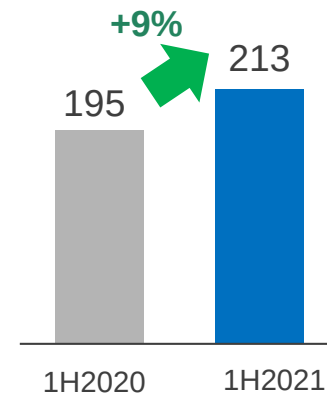
Digital Systems & Cyber

Revenue, S\$m



Defence Aerospace

Revenue, S\$m



Notes:

- 29 | - Revenue include inter-segment and inter-subsegment sales
 - Amounts may not add up due to rounding

Appendix

Statement of Financial Position

S\$m	30 Jun 2021	31 Dec 2020
Property, plant & equipment	1,771	1,757
Right-of-use assets	530	539
Intangible assets	1,951	1,946
Other non-current assets	746	731
Current assets	4,448	4,588
Total assets	9,447	9,561
Current liabilities	3,898	3,896
Non-current liabilities	3,020	3,090
Total liabilities	6,918	6,986
Share capital and reserves	2,268	2,293
Non-controlling interests	261	282
Total equity and liabilities	9,447	9,561

Statement of Cash Flows

S\$m	1H2021	1H2020
Net cash from/(used in)		
Operating activities	426	1,017 [#]
Investing activities	(146)	(151)
Financing activities	(429)	(984)
Net decrease in CCE *	(150)	(118)
CCE at beginning of the period	729	452
Exchange difference	3	8
CCE at end of the period	583	342

* CCE - Cash & Cash Equivalents

Notes:

[#] Operating cash flow increased by customer advances received

- All figures are denominated in S\$m unless indicated otherwise; amounts may not add up due to rounding

>\$1.55b worth of new contracts secured in 1Q2021

	1Q2021*	Highlights
Commercial Aerospace	\$573m	• 5-year contract to support a North American airlines in airframe heavy maintenance • 3-year component MBH contract to support a South Korean airline • 4 units of A321P2F for GTLK Europe DAC, an European leasing company
Urban Solutions & Satcom	\$371m	• Rail electronics in Australia, Thailand, Singapore including Platform Screen Door solutions for Queensland's Cross River Rail • Bus fleet management system enhancement in Singapore • Satcom ground infrastructure across key market verticals, including with a tier-1 mobile network operator to expand cellular backhaul network across Brazil
Defence & Public Security	\$610m	• Cybersecurity products, solutions and services • Mission critical & data analytics systems and cloud managed services • One Auxiliary Personnel Lighter-Small (APL(s)) 67 Class berthing barge for the U.S. Navy, and other international defence contracts
Total	\$1,554m	