News Release

ST Engineering Acquires Satcom Anti-Jamming Capabilities

Singapore, 17 September 2019 – Singapore Technologies Engineering Ltd (ST Engineering) today announced that its U.S. subsidiary iDirect Government, LLC (iDirectGov) has acquired 100% ownership in Glowlink Communications Technology, Inc (Glowlink) (the "**acquisition**").

This acquisition was carried out by way of a merger through a newly-incorporated special purpose vehicle, Intrepid Merger Sub, Inc. and Glowlink, with Glowlink being the surviving entity.

The aggregate purchase consideration was US$20m (approximately S$28m) (the "**consideration**") on a cash-free and debt-free basis plus employment based retention payment of up to US$5m (approximately S$6.9m) subject to fulfilment of certain conditions.

Based in Mountain View, CA, U.S., Glowlink delivers innovative solutions that mitigate satellite interferences and improve the quality of satellite communications (satcom). Its satellite network management solutions are able to detect and remove satellite signal interferences in an increasingly dense satellite space. As more satellites are launched in the coming years to meet the exponentially growing demand for connectivity in smart cities, there will be a significant increase in demand for anti-jam capabilities. Glowlink's products span carrier and spectrum monitoring, interference detection and mitigation, geolocation, and satellite capacity planning which will augment iDirectGov's advanced bandwidth-efficient, scalable and highly secure satellite solutions.

"This acquisition builds off the strengths of both teams to expand our satcom offerings with technology tailored to protect mission-critical communications, especially in an increasingly dense signal environment with the advent of many small satellites and 5G. The complementary product suite provides immediate benefit to iDirectGov's user community as it enhances product resilience against signal interference," said Ravinder Singh, President of Electronics sector, ST Engineering.

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Complementary Fit to ST Engineering's High-Growth Satcom Business

Radio frequency interference in satcom is a growing concern for military and commercial users alike. Glowlink's patented Communication Signal Interference Removal (CSIR™) algorithm provides real-time isolation and removal of satellite interferences. It delivers an effective and robust solution that does not require additional bandwidth compared to existing technologies, which helps customers save costs while overcoming interference threats.

The acquisition also offers opportunities to leverage market adjacencies by harnessing Glowlink's advanced technologies to deliver add-on features in ST Engineering's existing satcom products and solutions for commercial customers.

This acquisition of Glowlink is timely as it complements the proposed acquisition of Newtec Group NV, announced on 27 March 2019. These acquisitions align with ST Engineering's strategy to enhance its core satcom business, and strengthen its position as a leading global satcom business group.

Details of the Acquisition

The **consideration** was arrived at after negotiations between the parties taking into account, among other factors, Glowlink's financial performance, technology and future growth prospects. After adjusting for cash, debt and working capital at closing, the net consideration of US$24.3m (approximately S$33.5m) was paid in cash.

The **acquisition** is not expected to have any material impact on the financials of ST Engineering for the current financial year. As at 31 March 2019, Glowlink has unaudited net assets of US$7.8m (approximately S$10.8m).

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ST Engineering is a global technology, defence and engineering group specialising in the aerospace, electronics, land systems and marine sectors. The Group employs about 22,000

people across offices in Asia, the Americas, Europe and the Middle East, serving customers in the defence, government and commercial segments in more than 100 countries. Its employees bring innovation and technology together to create smart engineering solutions for customers in the defence, government and commercial segments. With more than 500 smart city projects across 70 cities in its track record, the Group continues to help transform cities through its suite of Smart Mobility, Smart Security and Smart Environment solutions. Headquartered in Singapore, ST Engineering reported revenue of S$6.7b in FY2018 and it ranks among the largest companies listed on the Singapore Exchange. It is a component stock of the FTSE Straits Times Index, MSCI Singapore, SGX ESG Transparency Index and SGX ESG Leaders Index.

The Electronics sector specialises in the design, development and delivery of Information and Communications Technology (ICT) products, solutions and services addressing the needs of Smart Cities for Connectivity, Mobility and Security. Its deep technological and engineering expertise straddles business domains in Rail & Road Engineering, Satellite Communications, Public Safety & Security, Cybersecurity, Artificial Intelligence, Training & Simulation, Managed Services and Defense C4ISR. It has presence in more than 30 global cities across North America, Latin America, Europe, Africa, the Middle East, China, India and Southeast Asia. For more information, please visit www.stengg.com.

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