

News Release

ST Engineering Delivers Superior Proposal to Acquire Cubic Corporation for US\$76 Per Share in Cash

Singapore, 22 March 2021 - Singapore Technologies Engineering Ltd (“**ST Engineering**”), a company incorporated in Singapore and listed on the Singapore Exchange (SGX-S63 / Bloomberg-STE:SP), today announced that it has delivered to the Board of Directors of Cubic Corporation (“**Cubic**”), a company incorporated in Delaware and listed on the New York Stock Exchange (NYSE-CUB), a proposal to acquire all of Cubic’s outstanding stock for US\$76 per share in cash (the “**Proposed Transaction**”).

The Proposed Transaction represents a premium of 8.6% compared to the US\$70 per share in cash agreed to by Cubic with an affiliate of Veritas Capital and Evergreen Coast Capital Corporation which was announced on 8 February 2021. ST Engineering is confident that its Proposed Transaction represents a superior proposal to the Veritas/Evergreen transaction.

Cubic’s Transportation Systems (“**CTS**”) business is an excellent fit with ST Engineering’s strategy to pursue growth in the Smart City domain, including mobility and transportation systems. CTS is a market leader in the intelligent transportation solutions and payments industry.

In particular, ST Engineering intends for CTS to be the global headquarters of its Smart Mobility business and to continue to be based in San Diego, California, U.S. ST Engineering intends to invest in CTS and retain the “Cubic” brand. We will further strengthen Cubic’s leading position in digital mobility payments and smart mobility applications by combining the best technology and talent from both organisations.

ST Engineering has partnered with affiliates of Blackstone that will acquire Cubic’s Mission & Performance Solutions (“**CMPS**”) defence business immediately following the acquisition of Cubic by ST Engineering.

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The Proposed Transaction will be subject to customary closing conditions, including certain anti-trust and foreign direct investment (such as CFIUS¹) approvals. ST Engineering has successfully obtained CFIUS approvals for all 11 of its past acquisitions in the U.S. where such clearances had been sought, including all three of its acquisitions in 2019 ([MRAS](#), [Newtec](#) and [Glowlink](#)).

ST Engineering expects to enter into the definitive agreements and to obtain all relevant regulatory approvals in an expeditious manner. The Proposed Transaction is not subject to any financing condition.

The Proposed Transaction and the sale of the CMPS defence business to Blackstone will require ST Engineering's shareholders' approval. Our major shareholder, Temasek, intends to execute a voting agreement to vote in favour of the transactions.

Cubic's Board of Directors is currently considering ST Engineering's proposal, and has determined that ST Engineering's proposal is or would reasonably be expected to lead to a superior proposal.²

No definitive terms or agreements have been agreed upon or executed. There is no certainty or assurance that ST Engineering's proposal will be successful or will materialise. ST Engineering will, in compliance with its obligations under SGX-ST Listing Manual, update shareholders and the investing public on any material developments.

Shareholders and potential investors are advised to exercise caution when dealing in the listed securities of ST Engineering, and should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take. ST Engineering shareholders do not need to take any action at this time.

¹ CFIUS is the Committee on Foreign Investment in the U.S.

² <https://www.cubic.com/news-events/news/cubic-announces-receipt-unsolicited-acquisition-proposal-st-engineering>

Morgan Stanley is acting as financial advisor to ST Engineering and Latham & Watkins LLP is acting as ST Engineering's legal counsel.

ST Engineering is a global technology, defence and engineering group with offices across Asia, Europe, the Middle East and the U.S., serving customers in more than 100 countries. The Group uses technology and innovation to solve real-world problems and improve lives through its diverse portfolio of businesses across the aerospace, smart city, defence and public security segments. Headquartered in Singapore, ST Engineering reported revenue of \$7.2b (about US\$5.4b) in FY2020 and ranks among the largest companies listed on the Singapore Exchange. It is a component stock of the FTSE Straits Times Index, MSCI Singapore, iEdge SG ESG Transparency Index and iEdge SG ESG Leaders Index.

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