ST Engineering

29^{th} Annual General Meeting

Vincent Chong
Group President & Chief Executive Officer

23 April 2026

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 2025 Highlights

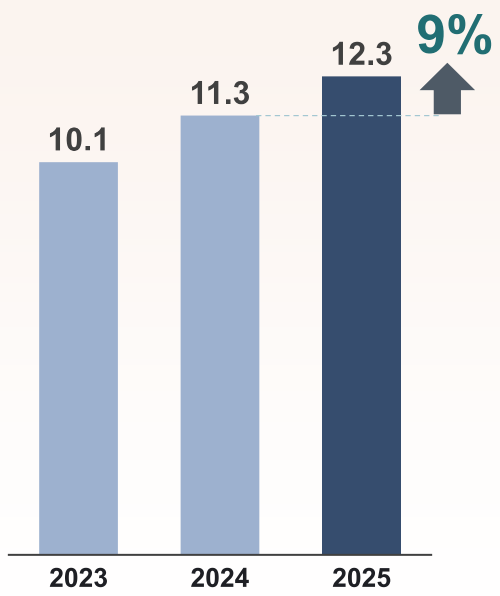
In 2025, the Group continued its consistent delivery of strong underlying performance, reflecting its solid foundation and resilience.

ST Engineering

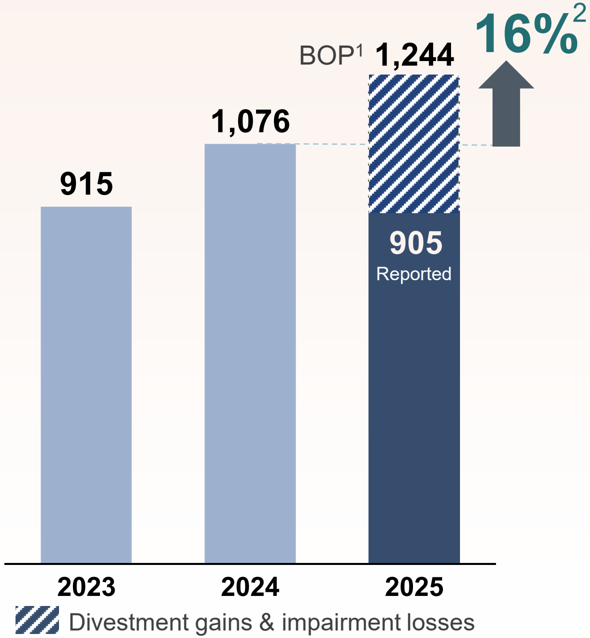
2025 in review

Delivered strong underlying performance

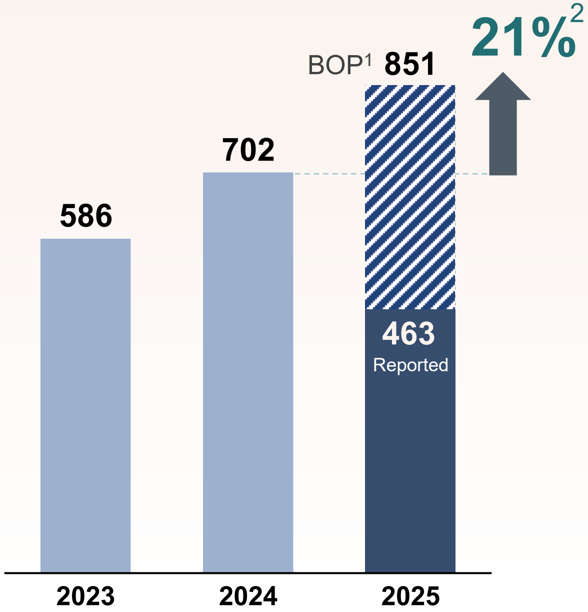
Revenue (S$'b)



EBIT (S$'m)



Net Profit (S$'m)

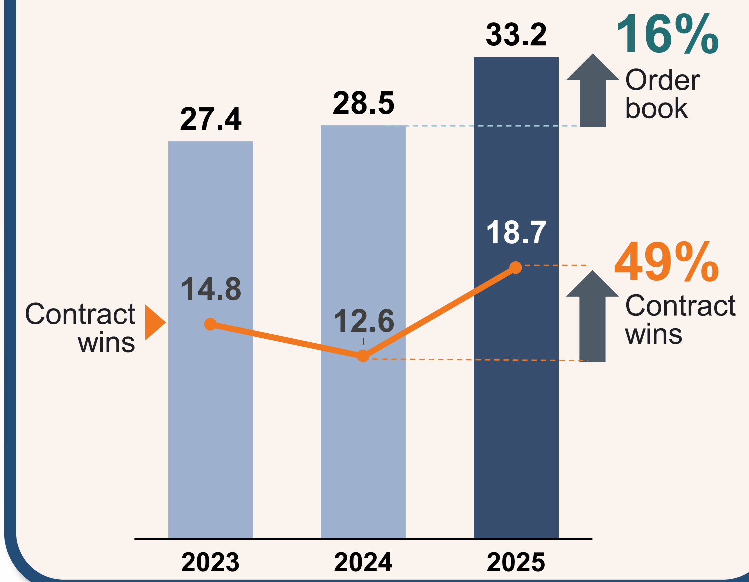


[1] Base Operating Performance (BOP) reflects underlying performance whereas reported profits contain several one-off items (impairment losses/ divestment gains)

[2] Excluding the EBIT and Net Profit of LeeBoy and share of Citycab for both 2024 and 2025, the rebased BOP EBIT grew 18% y-o-y and Net Profit grew 24% y-o-y

Strong contract wins and order book

Order Book (S$'b)



Highlights

15-years LEAP-1A Engines MRO Contract – Asian airline

First Tolling Contract in Australia – Sydney's New Western Harbour Tunnel

Next gen Infantry Fighting Vehicles – Singapore

SAR Satellite - UAE

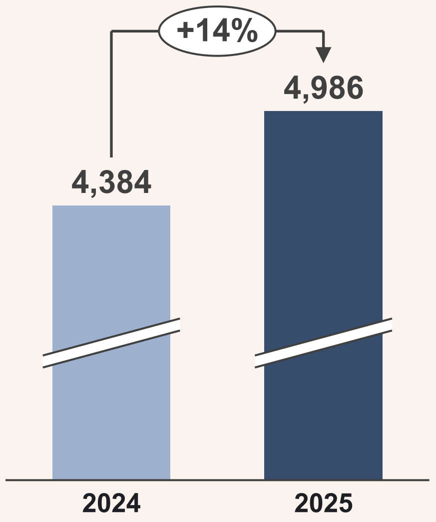
Taichung MRT Blue Line
(Turnkey Rail Contract)

2025 in review

Revenue growth from all Segments

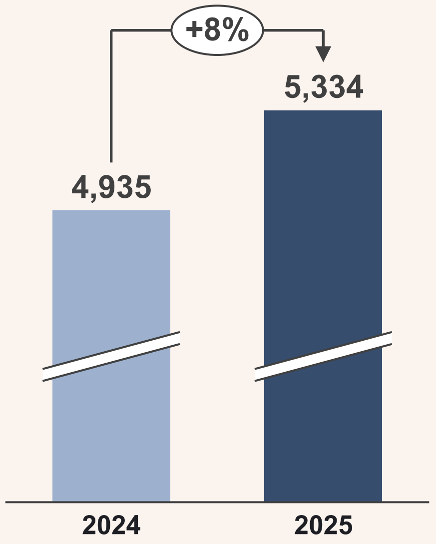
Commercial Aerospace

Revenue ($'m)



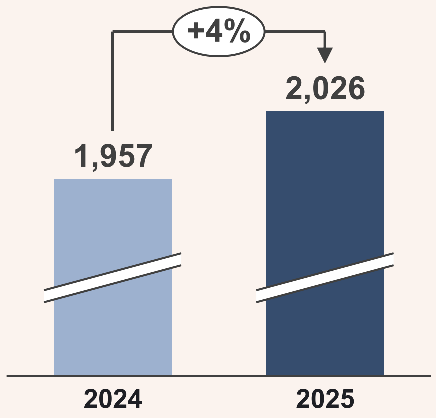
Defence & Public Security

Revenue ($'m)



Urban Solution & Satcom

Revenue ($'m)



Portfolio Management – Divestments

	LeeBoy	CityCab	SPTel	STARCO	Total
Effective Date of Divestment	Sep 2025	Sep 2025	Nov 2025	Dec 2025	
Net Cash Proceeds (after tax)	$329m	$115m	$146m	$115m	**~$705m**
Divestment Gains (after tax)	$97m[1]	$77m	$79m	$48m[1]	**$301m[2]**

- 2026 EBIT reduction y-o-y due to these divested entities is expected to be offset by savings in interest and tax expenses with the net cash proceeds applied to reduce group debt

[1] Divestment gains before tax for LeeBoy and STARCO were $139m and $56m respectively
[2] Total divestment gains before tax of the above divestments were $351m

Satcom: iDirect group Turnaround & Outlook

Revenue Outlook

- Secured commercial and defence orders in key markets including Europe and Saudi Arabia to deliver y-o-y revenue growth in 1Q26
- INTUITION, next generation platform, gaining good traction e.g. Verizon, AiTelecom
- iDirect Gov qualified under the U.S. MDA SHIELD contract
- Targeting stronger y-o-y first half 2026 revenue

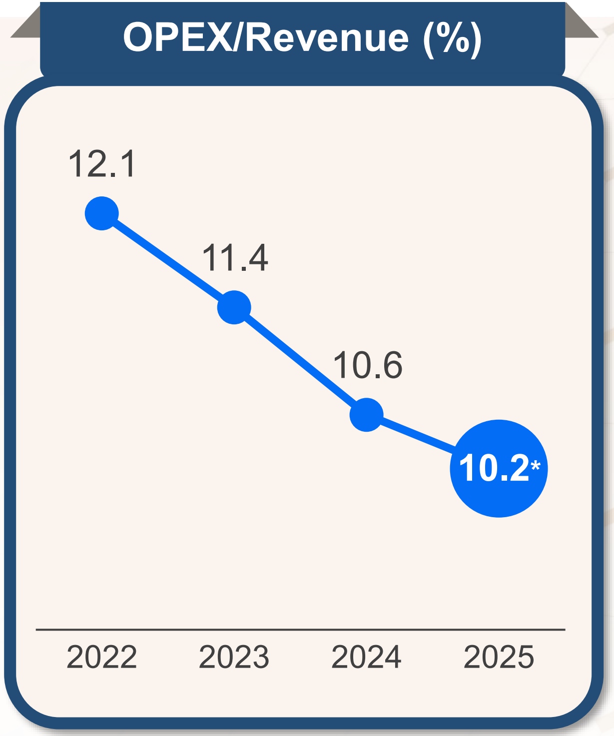
Cost Outlook

- Cost actions of ~$43m annualised savings achieved in 4Q25/1Q26, savings accruing
- Planned cost savings initiatives aimed at delivering $20m annualised savings targeted to be achieved by 2Q26

Evaluation of strategic options ongoing, with continued focus to support customers and turnaround business

OPEX/Revenue continues to improve

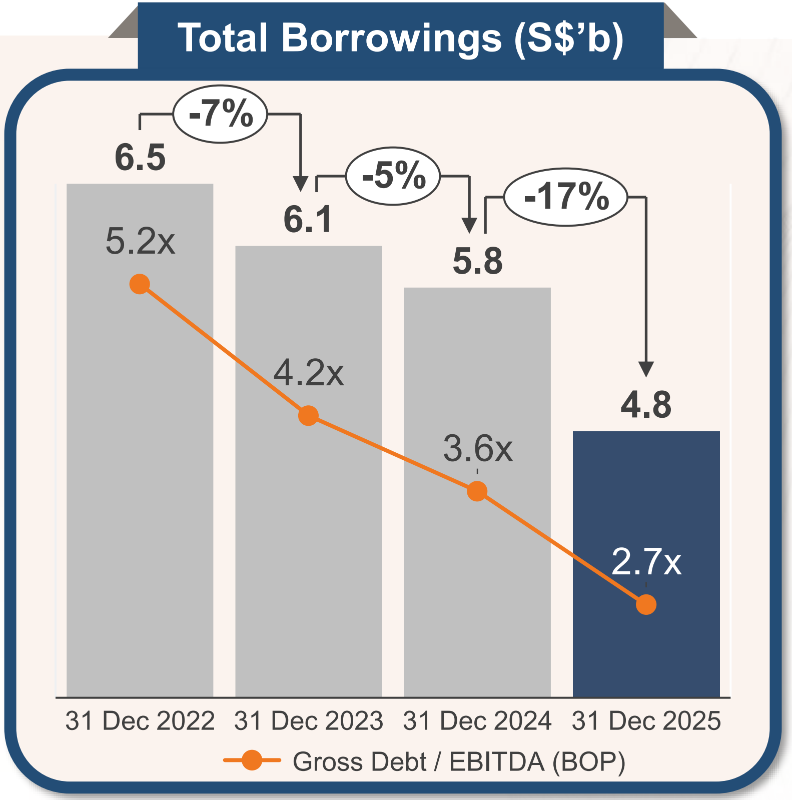
- Productivity and Continuous Improvement Programmes contributed to lower OPEX/revenue ratio of 10.2%



*Note: Excl. one-off iDirect impairment loss

Improved credit metrics

- Total borrowings dropped by 17% YoY to $4.8b as at 31 Dec 2025
- Gross Debt/EBITDA (BOP) ratio reduced to 2.7x in 2025
- Strong credit rating of Aaa/stable by Moody's[1] and AA+/stable by S&P[1]



[1]Moody's – 18 Mar 2026 published report; S&P – 12 Jun 2025 published report

Strengthening employer branding & continuous community outreach

Rated **Top 5 most attractive** employer in Singapore by Engineering / Natural Sciences Students

Improving lives through charitable gifts

ST Engineering MOVEment 2025

Empowering lives through education

Hosted SG100 Innovation Workshop

Transforming lives through Tech & Innovation

Gold Sponsor of Ruby for Good's Hackathon

Look forward – 2026 Highlights

Challenges and opportunities ahead

Geopolitics

Increased tensions

- Supply chain disruptions
- Inflation
- International defence opportunities

Technological Advances

Accelerated tech cycles

- AI-embedded products
- AI-enabled productivity

Opportunities Challenges

Look forward - 2026

Impact of Middle East (ME) Conflict

- ❑ **1st Order: Immaterial financial impact based on current assessment**
- ❑ **2nd Order: Evolving situation**
- ❑ **Continuing to monitor first and second order impacts**

1st Order: Direct impact[1]

- FY25 ME revenue <3% of Group
- Projects ongoing with minimal delays
- Limited supply chain disruptions
- Energy cost management
  - Pass-throughs
  - Hedged

2nd Order: Indirect impact

- Inflationary pressures
- Economic downturns
- Further supply chain disruptions
- Global air travel

➔ **Group's diverse portfolio provides resilience**

➔ **Not competitively disadvantaged**

[1]Includes ME projects, businesses, supplies and impact from price escalation in energy and freight

Look forward - 2026

AI, Technology & Innovation

Investing

~4 to 5%

of Group Revenue

annually in R&D

Composite materials

Agentic AI SOC

CityAI

Advanced Manufacturing

Manned-Unmanned Teaming (MUMT)

Smart Mobility

Commercial Aerospace | Defence and Public Security | Urban Solutions & Satcom

Look forward - 2026

AI plays to our strength

AI Centre of Excellence & Translation

Build-up Plan
(upskill & new hires)

1,000 AI Developers

4,000 AI Engineers

AI-embedded Products

Smart City Ops

C2 Ops Hub

Autonomous Sys. & Robotics

Platforms

Security Ops Centre

AI-enabled Productivity

- MRO
- Manufacturing
- Corporate Functions
- Coding

Look forward - 2026

Pursuing opportunities in new ventures

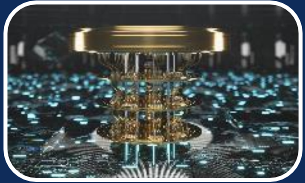
Next Gen Aero Components

Marine Renewables (Ammonia)

Hydrogen

Painting Robots

Explore new tech opportunities



Look forward – Recap Targets

Continuing our Yield-cum-Growth Journey

2029 Targets

Source: 2025 Investor Day Presentation

Strategy remains sound

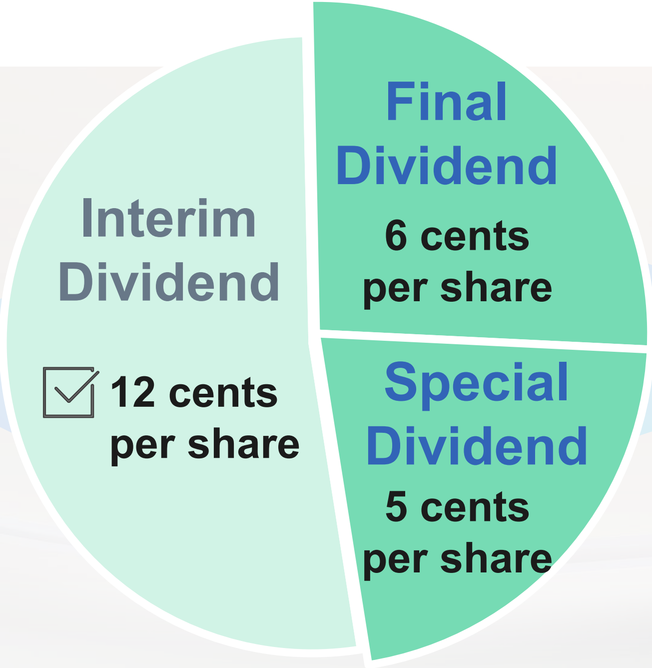
Results tracking targets

Shareholder returns

Dividends for FY2025

Distributed

- [x] FY2025 interim dividend: 12 cents per share



To be approved by shareholders at AGM

FY2025 final dividend: 6 cents per share

FY2025 special dividend: 5 cents per share

Payment date: 13 May 2026

The total dividend[1] for FY2025 will be 23 cents per share

[1] Both Final and Special dividends are subject to shareholder approval at 29th Annual General Meeting on 23 April 2026

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Dividends for FY2026

FY2026 total dividend will be determined by the sum of

i) 18 cents per share (FY2025 base ordinary dividend[1]), and

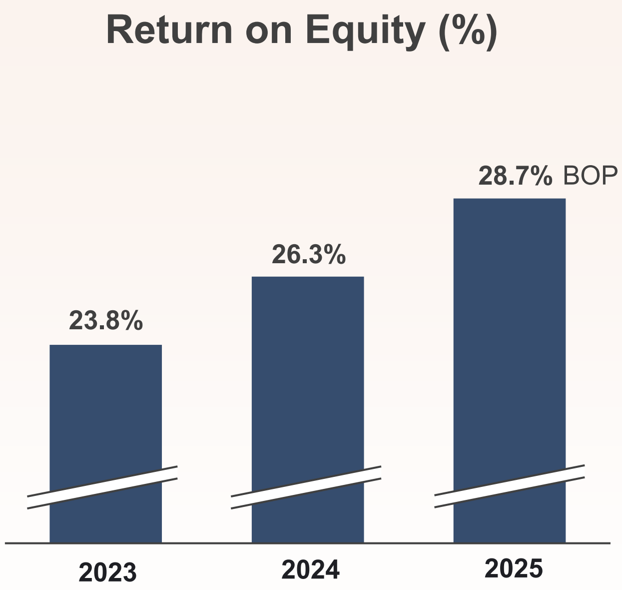
ii) One-third of year-on-year incremental net profit per share (FY2025 BOP Net Profit of $851m as a base)

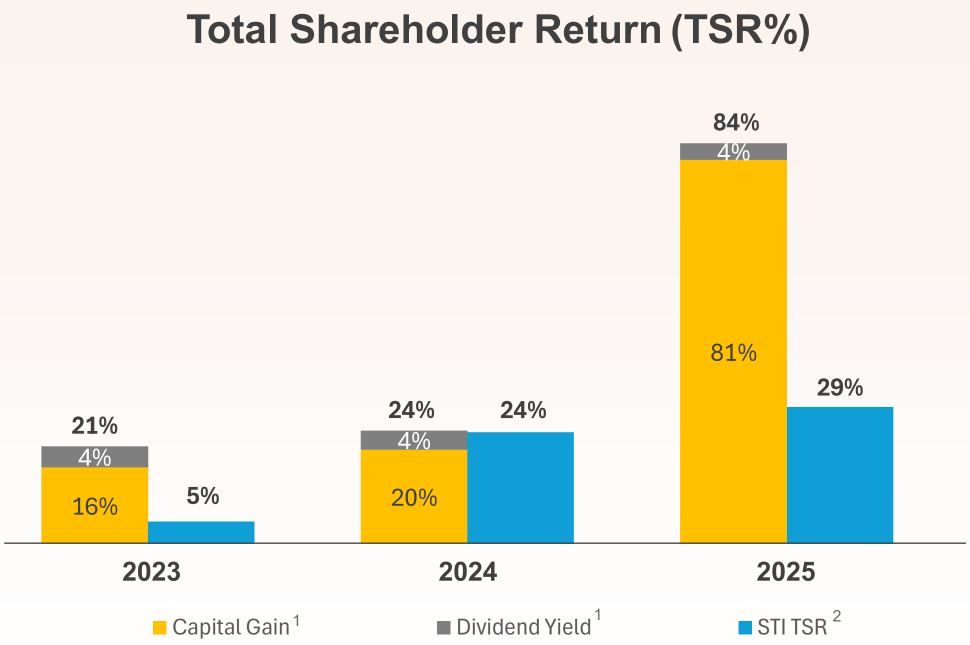
The computation of the year-on-year incremental net profit shall exclude one-off effects of major divestments and impairments

 [1] Subject to shareholder approval at 29th Annual General Meeting on 23 April 2026

Shareholder returns

Creating Value for Shareholders





Source:
1. ST Engineering Annual Reports
2. Bloomberg Straits Times Index – Total Return Analysis

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