



INVESTOR DAY

22 MARCH 2018

DISCLAIMER

These forward-looking statements reflect the Company's current intentions, plans, expectations, assumptions and beliefs about future events. 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. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes, as well as natural disasters which may negatively impact business activities of the ST Engineering Group. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events. The Company does not undertake to update these forward-looking statements to reflect events or circumstances which arise after publication.

STRATEGIC OVERVIEW

VINCENT CHONG
PRESIDENT & CEO

Build Upon Our Position of Strength

Strong returns since
formation in 1997...



Revenue

S\$6.6b

2017



Net Profit

S\$512m

2017



Market
Capitalisation

S\$11.0b*

* As at 16 Mar 2018



Total Shareholder
Returns**

10%pa*

* Source: Bloomberg
as at 16 Mar 2018

** Dividends reinvested

...provides solid foundations
for next stage of growth

Focus Areas for Growth

Strengthen core businesses



Aerospace



Marine



Electronics



Land Systems

Pursue growth opportunities



Defence Export



Smart City

Underpinned by strong capabilities



People & Culture



Customers & Marketing



Technology & Innovation



Capacity for Growth

Strengthen Core Businesses

Aerospace

Strengthen and grow engineering and MRO



Invest in new growth areas

Seed the future with unmanned technologies



By 2022, we expect steady state revenue of more than **S\$400m** per annum from our Passenger-to-Freighter business

Strengthen Core Businesses

| Marine



By 2022, we expect Marine sector revenue to recover to 2013 to 2014 levels, subject to the business cycle

Pursue Growth Opportunities

| Defence Export

Leverage proven successes in defence capabilities and export wins



Focus on developing targeted products and solutions

Focus on specific markets

Pursue Growth Opportunities | Smart City

Significant
and growing
market
opportunity



Build upon core
competencies
and end-to-end
capabilities

Leverage
Singapore track
record; positioned
for overseas
success



Expect Smart City revenue of **S\$1b in 2017** to more than
double by 2022

Our Smart City Offerings and Track Records Match Needs of Smart Cities

Smart Security



Public Security



Cyber Security

Smart Environment



Energy Management



Waste and Water

Smart Mobility



Rail



Road

Businesses
and Platforms
Across Verticals



Analytics and
Artificial Intelligence



Digital
Connectivity

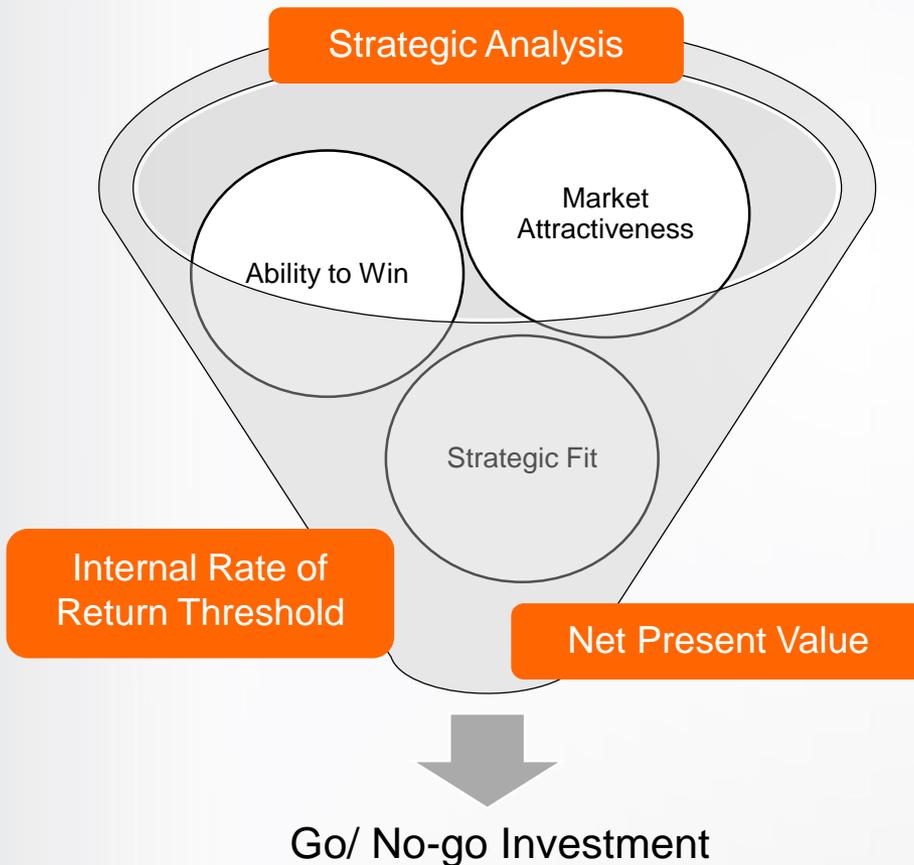


Robotics

Develop Businesses through New Enterprises and Ventures

Judicious evaluation of growth opportunities

New growth opportunities



- 1  Health Tech
- 2  Digital
- 3 ...
- 4 ...

Recognise Challenges and New Realities as We Pursue Growth



Singapore as important reference market



Future growth largely from global markets



Leverage strength of integrated approach



New go-to-market models and M&A focus

Aspiration: Global Technology, Defence & Engineering Powerhouse





People are our strengths

- Build strong sense of purpose and belonging
- Strengthen capacity and capability for growth



Strengthen leadership bench

- Drive key focus areas
 - Shared Services
 - Digitalisation
 - New lines of businesses

Customers & Marketing



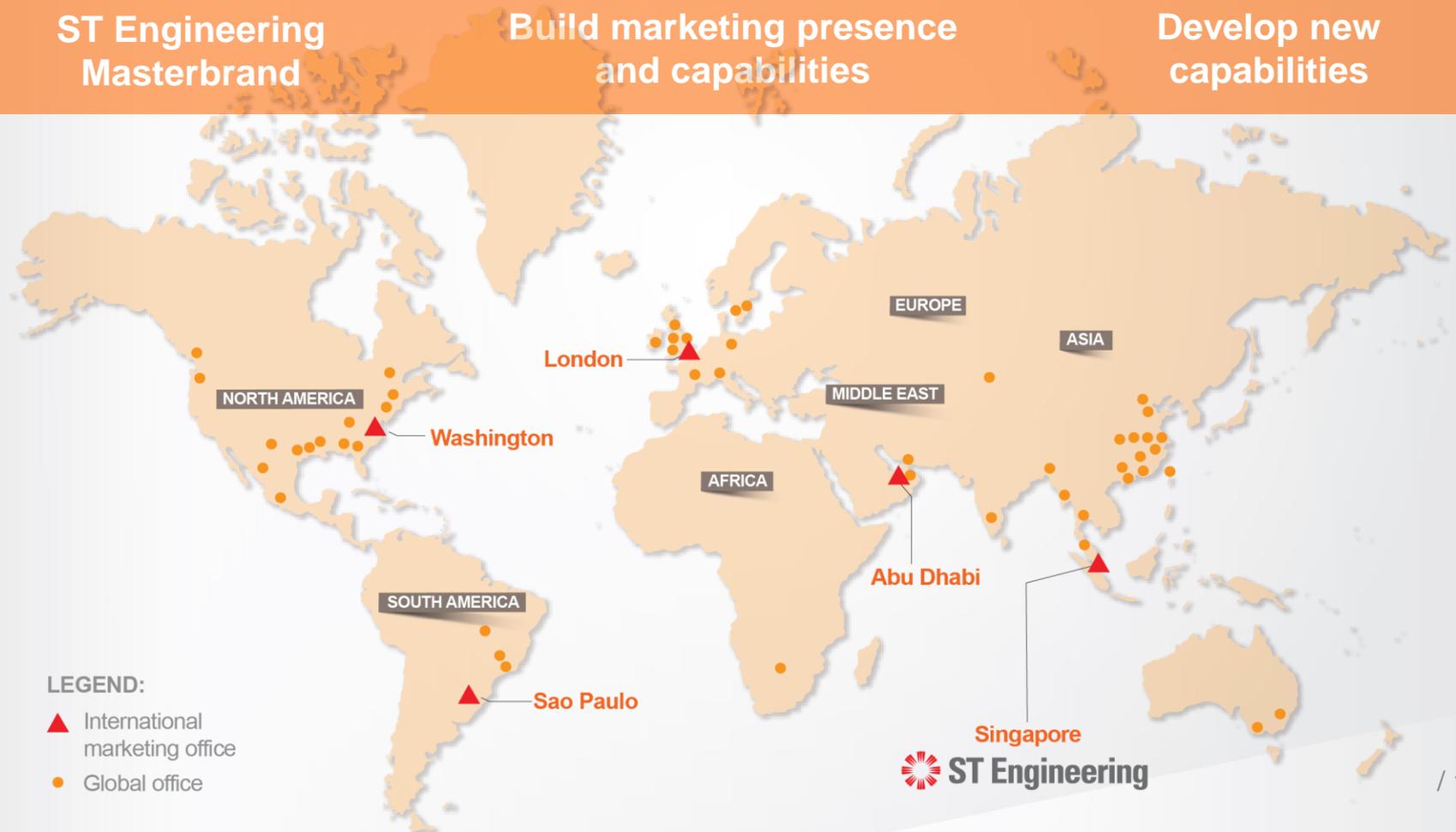
ST Engineering
Masterbrand



Build marketing presence
and capabilities

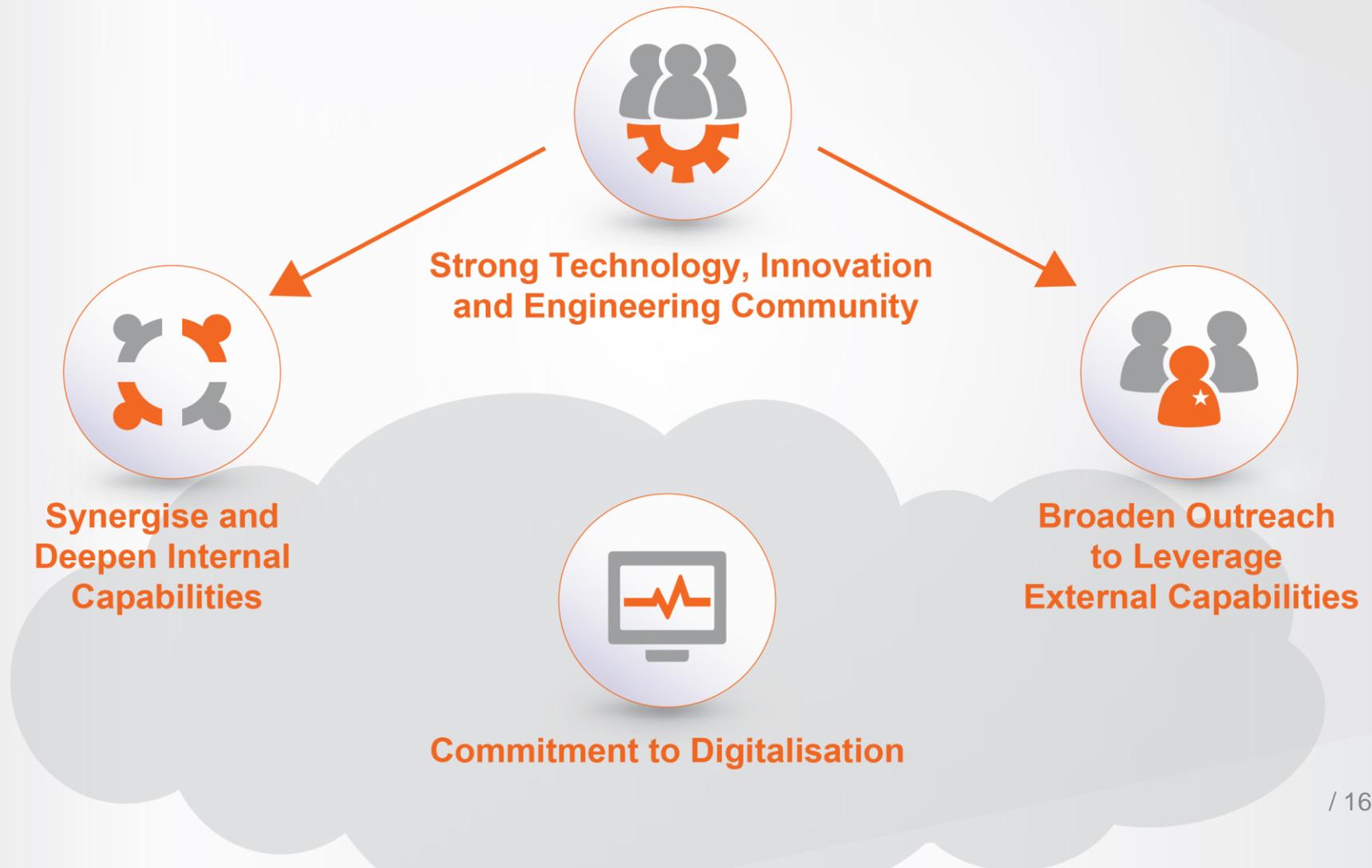


Develop new
capabilities



Technology & Innovation

Build, partner and acquire
to develop technology capabilities



Capacity For Growth

Financial Strength



- Strong balance sheet provides capacity to grow and sustain dividends

Efficiency & Scalability



- Cost optimisation through Shared Services
- Cumulative net savings of ~S\$150m over next 5 years*

Portfolio Management



- Diversified portfolio
- Unlock value and recycle capital

Disciplined Growth



- Disciplined approach to go-to-market models and M&A

Strong Order Book



NEAR TERM

Strong order book of

\$13.2b

provides stability
and visibility on
near-term revenue
and cash flows



Our **2022** target

- Smart City revenue of **S\$1b** to more than double by 2022
- Core and other businesses CAGR **2 to 3 times** global GDP growth rate over the next 5 years
- **Two-thirds of our revenue growth** will be from global markets
- Net profits to grow in tandem with revenues



**THANK
YOU**

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