

INVESTOR DAY 2021

Commercial Aerospace

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Disclaimer

Amounts stated in this presentation are denominated in Singapore Dollars unless stated otherwise.

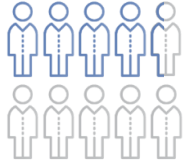
The forward-looking statements in this presentation reflect the Company's current intentions, plans, expectations, assumptions and beliefs about future events. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions especially given the evolving COVID-19 situation and its impact globally. Representative examples of these factors include (without limitation) travel and border restrictions, governmental orders on business closures, lock-down and movement restrictions, quarantines, disruption to global supply chains, 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 the current view of management on future events.

Navigating the Turbulence

Short-term challenges with recovery anticipated in the next 2 – 3 years

FY2021 Forecast



40%

Air travel demand vs. 2019



50%

Total available seats vs. 2019



108%

Cargo demand vs. 2019

Recovery Trajectory



2023

Domestic travel to 2019 levels



2024

International travel to 2019 levels



2023

Total fleet to 2019 levels

Taking the Long View

Healthy long-term demand for air travel and cargo, MRO & services

20 year demand



4.0% CAGR
Passenger Traffic Growth



4.0% CAGR
Air Cargo Growth

20 year fleet growth

3.2% CAGR
Passenger Fleet Growth

46K
passenger fleet

43K
deliveries

2.6% CAGR
Freighter Fleet Growth

3.4K
freighter fleet

1.7K
conversions

Growth in Services



MRO

5.9% CAGR
US\$115b by 2030



Leasing

50% aircraft leased in 2021 and growing

Supporting Customer's Recovery

Resilience in COVID-19

Continuing investments & customer-focused value creation while outperforming peers

Delivering our Solutions



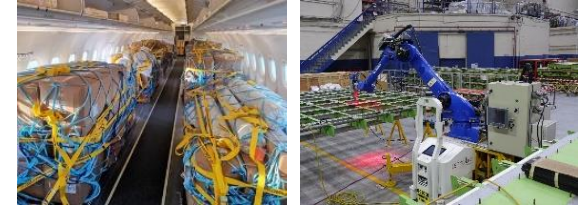
- Redelivered “Head of Version” A321P2F
- Expanded MRO capability for nacelles, engines and components
- Securitised portfolio of 30 engines, recycling capital for expansion

Securing Wins



- \$4.4b of new contracts despite COVID-19 (Mar 2020 – Sep 2021)
- Freighter leasing strategy including JV with Temasek
- Unmanned air systems across multiple applications

Innovating



- Cargo conversion solutions
- Increased automation use cases – P2F drilling, engines MRO, additive manufacturing

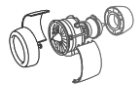
Reorganising for Success

Growth Levers in Lines of Business Groups

Expanding life cycle nose-to-tail solutions supported by new organisation structure



Aerostructures & Systems



Nacelles



Freighter Conversions



Aerospace MRO



Airframe Services



Engine Services



Aviation Asset Management



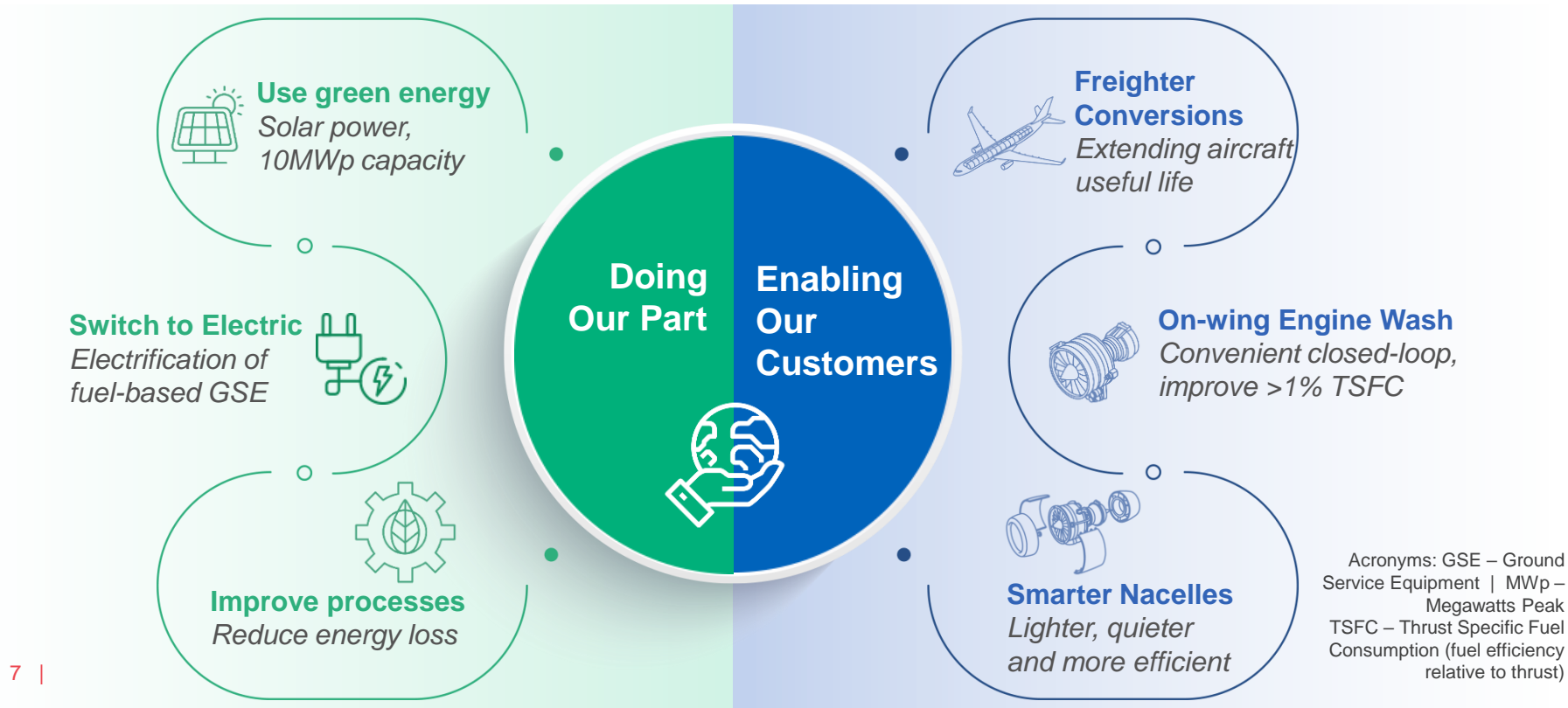
Freighter Leasing



Engine Leasing

Towards a Greener Journey

Becoming a Sustainability-focused business and supplier to our customers



Key Strategic Initiatives



**Strengthen
OEM and MRO
position**



**Seed the future
through smart
technologies**



**Invest for
growth in P2F
and asset
management**



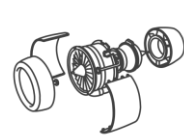
Strengthen OEM and MRO Position

Leveraging global footprint and positioning for future demand

Expanding MRO Regional Presence

Capability Building

Locating close to customers in key aviation hubs, providing >13 million manhours annually



Capture acquisition synergies via Nacelle MRO

- 6 types & growing, including ARJ21, A320 and B737







Build future capabilities

- MRO for new generation aircraft
- Improving nacelle technologies

Invest for Growth – Asset Management

Strategic portfolio growth synergising markets & capabilities

Consistent Leasing Strategy Execution		
Engines	Pax Aircraft	Freighters
 <p>JV – Aircraft engines (2011)</p> <p>Engine ABS (2020)</p> <ul style="list-style-type: none"> • Unlock capital, retain asset management 	 <p>JV – commercial aircraft (2016)</p>	 <p>Temasek JV (2021)</p> <ul style="list-style-type: none"> • US\$600m AUM • Acquire aircraft, P2F, lease, MRO
<p>Double AUM to US\$2b by 2026 with securitisation*</p>		

Scaling Asset Management Capabilities	
 <p>Adding value and business synergies</p> <ul style="list-style-type: none"> - Asset securitisation - Focus on mid-life aircraft - MRO & conversion services 	
 <p>Building track record and capabilities</p>	
 <p>Deal of the Year (Sunbird ABS)</p>	 <p>APAC Structured Finance Issue of the Year (Sunbird ABS)</p>
	 <p>Operating Lease Deal of the Year (A321P2F Lease to Qantas)</p>

Invest for Growth – P2F

Building momentum to increase leadership position in freighter conversion solutions

Our Next Generation Conversions*

Narrowbody P2F



A321P2F

5 redelivered since 2020



A320P2F (EIS 2022)

>60 on order

Medium Widebody P2F



A330P2F

12 redelivered since 2018

>80 on order

Delivering at Scale



>60

Annual Conversions, 3X of current capacity



6

Global Sites – Singapore, China, Germany and the U.S.



>S\$0.7b

Steady state annual revenue by 2026

Seed the Future – Smart Technologies

Operationalising autonomy & robotics for internal & customer value creation

Increase DroNet Penetration



Expand Robotics Use Cases



**Robotic drilling for
P2F floorgrids**

-30% production leadtime

**Engine blade
mapping & profiling
system**

>2k manhour savings p.a.



Acronym: P2F – Passenger-to-Freighter

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Looking Ahead

Delivering, Positioning & Investing



Thank you