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Meeting details:

Date: 23 April 2026

Time: 2.30 p.m.

Venue: Marina Bay Sands Expo and Convention Centre, Level 3, Begonia Ballroom, 3001AB-4 and 3101AB-4, 10 Bayfront Avenue, Singapore 018956

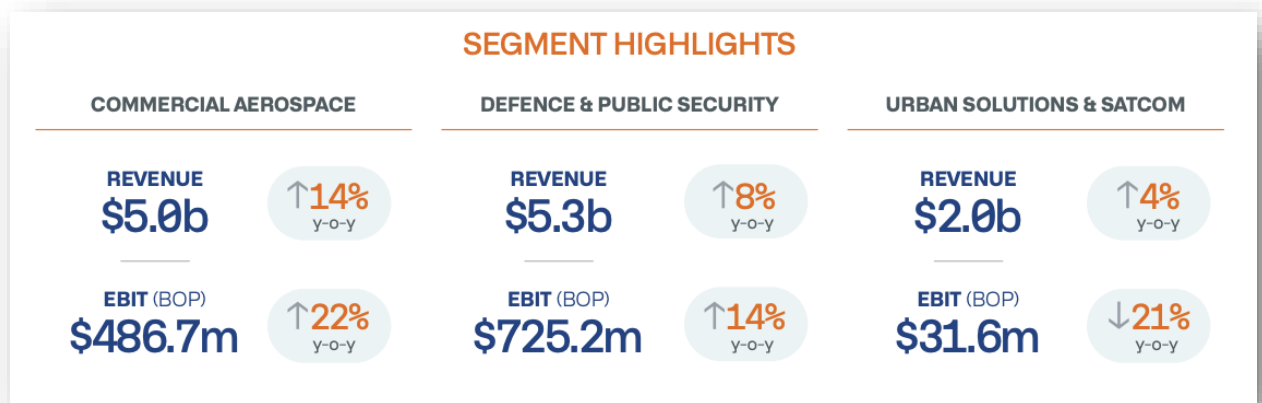
Q1. For the financial year ended 31 December 2025, the group reported strong operating performance, with revenue increasing 9% to \$12.3 billion, adjusted¹ EBITDA rising 10% to \$1.77 billion and adjusted net profit growing 21% to \$850.8 million. The order book expanded by 16% to \$33.2 billion, providing improved visibility on future revenue and earnings.



(Source: company annual report)

- (i) The 2025-2029 strategic plan outlines revenue growth targets. **How does the plan balance growth with profitability? Has the board also set profitability targets as well?**

¹ Adjusted for gains on divestments of subsidiary, LeeBoy, and divestments of shareholding interests in CityCab, STARCO and SPTel, and one-off impairment losses related to iDirect group and Jet-Talk.



(Source: company annual report)

It appears that growth and profitability in the urban solutions and satcom segment significantly lags the group's other core segments, even on a base operating performance basis.

- (ii) **What is the strategic rationale for continued capital allocation to this segment, and has the board formally evaluated strategic options, including restructuring or divestment? Is the segment still a critical component of the group's overall strategy?**
- (iii) **Specific to TransCore, it has been approximately four years since the acquisition, which resulted in goodwill of \$2.32 billion being recognised on the balance sheet. Has the board reviewed whether the original investment thesis remains intact, and to what extent actual performance has met or exceeded the underwriting assumptions at the time of acquisition?**
- (iv) **Separately, the defence and public security segment has delivered strong growth and accounted for approximately half of contract wins in 2025, at \$9.1 billion out of \$18.7 billion. EBIT margins have improved to 13.5%. How does the segment's margin profile compare with global defence peers on a like-for-like basis, and what are the specific operational and portfolio levers available to lift EBIT margins even higher?**

Q2. For FY2025, the group incurred total research and development costs of \$456.4 million, comprising \$185.6 million recognised as R&D expense, \$63.1 million as capital development expenditure and \$207.7 million within cost of sales. This represents approximately 3.7% of revenue.

The group has articulated a strong focus on technology and innovation. As noted by the Group chief technology & digital officer, a five-year, \$250 million AI research translation programme has been launched to accelerate the deployment of advanced AI capabilities and

build internal engineering capacity to commercialise research into next-generation, AI-first systems and platforms. Details of the group's R&D, innovation and applications, including AI-related applications, can be found on pages 20 to 23 of the annual report.

- (i) **Can management quantify the financial impact of AI initiatives to date, including revenue uplift, cost savings and margin expansion? Over what timeframe does management expect AI to be meaningfully embedded across the group's core operations/applications?**
- (ii) **Separately, in relation to emerging areas such as humanoid systems and more established domains such as drones, what proprietary capabilities, products or solutions has the group developed, and what is the commercialisation roadmap?**
- (iii) **How is the R&D budget determined and prioritised across competing initiatives?**

Q3. The group has identified ten material factors spanning four broad areas of economic, environmental, social and governance through a double materiality approach. A summary of these material factors can be found on pages 14 and 15 of the sustainability report².

Within governance, areas such as export control and anti-bribery and corruption are particularly critical given the nature of the group's operations, its exposure to multiple jurisdictions and the potential regulatory and reputational risks involved.

- (i) **Export control:** The group states that it complies with all applicable export control regimes and aims to ensure that its products and technologies are not used by unauthorised parties or for unauthorised purposes. **How does the board obtain assurance that these controls are effective across different jurisdictions, particularly in higher-risk markets? Can management describe the key control framework, monitoring mechanisms and escalation protocols for potential breaches?**
- (ii) **Anti-bribery & corruption:** The group has a zero-tolerance policy towards fraud and corruption, supported by policies and procedures embedded within its enterprise risk management framework. **How does the board ensure that governance standards, internal controls and compliance frameworks are robust enough to prevent misconduct, particularly as management purses its 2029 targets?**

²

<https://links.sgx.com/FileOpen/ST%20Engineering%20Sustainability%20Report%202025.ashx?App=Announcement&FileID=880330>



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