

**SINGAPORE TECHNOLOGIES ENGINEERING LTD**  
**(“Company”)**  
(Registration No. 199706274H)

Minutes of the Extraordinary General Meeting (“EGM”)  
of the Company held by electronic means on Wednesday, 15 December 2021 at 10.00 a.m.

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**PRESENT:**

**Board of Directors (“Board”)**  
(in person unless otherwise indicated)

Mr Kwa Chong Seng	-	Chairman
Mr Vincent Chong Sy Feng	-	Director / Group President & CEO
Mr Kevin Kwok Khien	-	Director
Mr Joseph Leong Weng Keong	-	Director (via video-conference)
Mr Lim Ah Doo	-	Director
Mr Lim Chin Hu	-	Director
Mr Lim Sim Seng	-	Director (via video-conference)
Ms Ng Bee Bee (May)	-	Director (via video-conference)
LG Melvyn Ong Su Kiat	-	Director (via video-conference)
Mr Quek See Tiat	-	Director
Ms Song Su-Min	-	Director
Mr Tan Peng Yam	-	Director (via video-conference)
Mr Teo Ming Kian	-	Director
COL Cai Dexian	-	Alternate Director to LG Melvyn Ong (via video-conference)

**Shareholders (via webcast or audio stream)**

As set out in the attendance records maintained by the Company.

**IN ATTENDANCE (in person)**

Mr Foo Chee Keng Cedric	-	Group Chief Financial Officer
Ms Tan Lee Chew	-	President, Commerical
Mr Chew Men Leong	-	President, Urban Solutions
Mr Lim Jit Chek	-	Group Chief Human Resource Officer
Ms Lina Poa	-	Group Head, Corporate Communications & Investor Relations
Ms Low Meng Wai	-	Group General Counsel / Company Secretary
Mr Fan Keen Leong	-	SVP/Group Financial Controller, Financial Reporting
Ms Tan Wan Hoon (Jeslin)	-	Joint Company Secretary

**BY INVITATION**

(in person and via webcast or audio stream)

Mr Marcus Lam	-	Partner, Head of Assurance, PricewaterhouseCoopers LLP (“PwC”)
Mr Lee Chian Yorn	-	Partner, Assurance, PwC
Mr Lee Kok Hooi	-	Partner, Assurance, PwC
Mr Marcus Lee	-	Partner, Latham & Watkins LLP
Mr Maansi Gupta	-	Managing Director, Industrials, J.P. Morgan (S.E.A.) Limited

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**1      OPENING ADDRESS**

The Chairman welcomed the attendees to the EGM of the Company.

The Chairman shared that the Company had done well in weathering the current unprecedented difficult period presented by the pandemic and recently announced a record order book. Dividend rate at the current share price is about 4% and the Company has a very strong balance sheet. The Company had looked at opportunities to grow and identified Smart Cities, an area that is projected to have strong growth rate in Southeast Asia, as a new area that fits with its technical capabilities.

The Chairman further shared that at this EGM, the Company is seeking the approval of shareholders to acquire all of the interests in TransCore Partners, LLC and TLP Holdings, LLC (collectively, "TransCore") from a subsidiary of Roper Technologies, Inc for an aggregate purchase price of US\$2.68 billion (S\$3.62 billion), subject to certain purchase price adjustments as of completion, as announced on 3 October 2021.

Next, the Chairman briefed that TransCore is a market leader in transportation industry in North America providing solutions and services for next-generation electronic toll collection, congestion pricing and Intelligent Transportation Systems, amongst others. The Board believes that the proposed acquisition will enhance the Group's smart mobility offerings of the Company's Smart City business and that it aligns with the Group's commitment to sustainability, and will deliver value for its Shareholders.

The Chairman said that the consideration for the proposed acquisition was negotiated and arrived at on a willing-buyer and willing-seller basis through a competitive auction process after taking into account, TransCore's financial performance and financial position, the due diligence undertaken together with advisors, as well as the strategy and rationale for the proposed acquisition.

The Chairman informed that the Meeting was conducted in accordance with the arrangements for general meetings prescribed by a ministerial Order issued under the COVID-19 (Temporary Measures) Act 2020. Shareholders who attended the Meeting electronically would be treated as present and their names would be included in the attendance list of the Meeting.

The Chairman said that in the Company's announcement made on 30 November 2021, shareholders have been informed that they might participate in the EGM by observing and/or listening to the EGM proceeding via live audio-visual webcast or live audio-only stream, submit questions in advance or live at the EGM and to appoint Chairman of the Meeting as their proxy to attend, speak and vote on their behalf at the EGM.

## 2 PUBLICATION OF RESPONSES TO PRE-SUBMITTED QUESTIONS AND ANSWERS

The Chairman informed that the Company has published the responses to substantial and relevant questions ("Q&As") received from shareholders on SGXNET and the Company's website prior to the EGM. A copy of the Q&As is attached as Appendix 1 to these minutes.

## 3 QUORUM

The Chairman called the Meeting to order with the presence of a quorum. Proxies lodged had been checked and confirmed to be in order.

The Chairman proceeded to introduce the Directors and Senior Management who were present and Directors who attended the EGM via video conference.

The Chairman also welcomed the following who were attending the EGM in person and via webcast:-

- (i) Mr Marcus Lum, Mr Lee Chian Yorn and Mr Lee Kok Hooi from PwC, the Company's independent auditor; and
- (ii) representatives from:-
  - Latham & Watkins, the Company's legal advisor; and
  - J.P. Morgan (S.E.A.) Limited, the Company's financial advisor in relation to the proposed acquisition.

The Chairman invited Mr Vincent Chong, Group President & CEO to address the shareholders. Mr Vincent Chong shared some key transaction details and rationale for this proposed acquisition as follows:-

- (i) TransCore is a well-established company with 80 years of history with a strong management team. It is a market leader in the transportation industry in North America and that TransCore's solutions complement and strengthen the Company's suite of Smart Mobility solutions, making it a strong strategic fit for ST Engineering.
- (ii) The Company assessed this proposed acquisition to be a compelling transaction at a fair price. The purchase multiple is in line with market valuation of comparable companies and precedent deals in the same domain.
- (iii) The Company expects this proposed acquisition to be cash flow positive from the first year and earnings accretive from the second year post-acquisition. Accordingly, the Company's dividend payment capacity would remain strong as TransCore's operations are expected to generate healthy cash flow.
- (iv) The proposed acquisition is expected to be completed by end of first quarter 2022 and will accelerate the Company's growth in the smart city domain and strengthen its global presence and ultimately enhance shareholder value.

After Mr Vincent Chong's address, he passed the floor to Mr Chew Men Leong, President Urban Solutions, to give his presentation on TransCore.

4

#### PRESNTATION BY MR CHEW MEN LEONG

Mr Chew Men Long delivered a presentation on TransCore and a video on Infinity Digital Lane System was played. In his presentation, he provided:-

- (i) the transaction highlights;
- (ii) an overview of TransCore (including its capabilities, track record and strong customer relationships);
- (iii) industry trends and growth;
- (iv) acquisition rationale; and
- (v) an update on the closing conditions of the proposed acquisition.

The presentation deck had been posted on SGXNET and published on the Company's website on 15 December 2021 prior to the EGM.

5      LIVE QUESTIONS AND ANSWERS

The Chairman, the Group President & CEO and the President, Urban Solutions, responded to the questions raised by the shareholders via the webcast. A list of comments and queries from the shareholders relating to the agenda of the EGM is set out in Appendix 2 attached to these minutes.

The Chairman thanked all shareholders for their questions.

6      NOTICE OF MEETING

The Chairman informed that all proxy votes received by the 72 hours' deadline prior to the EGM had been verified by the appointed independent scrutineer, RHT Governance, Risk & Compliance (Singapore) Pte Ltd.

The Notice of the EGM dated 30 November 2021 had been sent to all shareholders by electronic means via SGXNET and made available on the Company's website. The Notice was taken as read.

Before proceeding with the Resolution, the Chairman informed that the percentage of the voting results received for each resolution had been rounded up to two decimal places.

7      ORDINARY RESOLUTION

PROPOSED ACQUISITION OF ALL OF THE ISSUED AND OUTSTANDING INTERESTS OF TRANSCORE PARTNERS, LLC AND TLP HOLDINGS, LLC FROM TRANSCORE HOLDINGS, LLC

The Chairman proposed the resolution pertaining to the proposed acquisition of all of the issued and outstanding interests of TransCore Partners, LLC and TLP Holdings, LLC from TransCore Holdings, LLC.

Upon release of the voting result (refer to attached Appendix 3), the Chairman declared the following Resolution carried:-

**RESOLVED THAT the proposed acquisition of all of the issued and outstanding interests of TransCore Partners, LLC and TLP Holdings, LLC from TransCore Holdings, LLC be received, approved and adopted.**

On behalf of the Board and the management, the Chairman expressed his appreciation to the shareholders for their overwhelming support and approval for the proposed acquisition.

8      CONCLUSION OF MEETING

There being no other business, the Meeting ended at 10.45 a.m.

CONFIRMED BY



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KWA CHONG SENG  
Chairman

## Appendix 1

### **1. How did you arrive at the acquisition amount of US\$2.68b for TransCore?**

- TransCore is a strong strategic fit for ST Engineering. It is a leader in the transportation industry in North America, specialising in next-generation electronic toll collection, congestion pricing, Intelligent Transportation Systems, back office systems and RFID products. Over its 80-year history, TransCore has deployed 15,000 tolling lanes and has 4,500 toll lanes under active management. It sells to 11 out of 15 of the largest toll agencies in the U.S. today and has shipped over 100 million RFID tags. Its comprehensive road transportation solutions and deep customer relationships built over many years will complement and enhance our suite of Smart City and Smart Mobility rail and road solutions.
- The purchase price of US\$2.68b was negotiated with the Seller pursuant to arm's length negotiations on a willing-buyer and willing-seller basis in a competitive auction process conducted by the Seller. The purchase price reflects TransCore's position as a leader in the U.S. transportation industry, underpinned by established customer relationships, high rate of occurring and re-occurring revenues, strong order book, innovative technology, attractive financial profile and potential synergies. Further, the Enterprise Value / EBITDA multiple of 16.2x is also well within the range of both precedent transactions and the market valuation of comparable public listed companies in this space.
- TransCore has built a robust business by leveraging value residing in its deep customer relationships, innovative technology, extensive patents and strong contract backlog. These will be reflected in goodwill and intangibles recognised as part of the proposed acquisition.
- Lastly, in arriving at our determination of the purchase consideration, the Board consulted with J.P. Morgan (S.E.A.) Limited as financial advisor on the proposed acquisition; Deloitte & Touche Financial Advisory Services Pte Ltd on financial and tax due diligence matters; Latham & Watkins LLP as legal advisor on the proposed acquisition; and industry consultant PTOLEMUS Consulting Group on commercial and market due diligence matters.

### **2. Please elaborate and provide examples on how ST Engineering will benefit from, and the growth it will achieve as a result of, this acquisition?**

- The Smart City space has been an important strategic focus area for ST Engineering and TransCore is a strong strategic fit for us. Its road transportation solutions will enhance our suite of Smart Mobility solutions which will further strengthen our capabilities in the Smart Mobility domain.
- TransCore's leading position in the end-to-end electronic toll collection and congestion pricing segments in North America represents a new business for ST Engineering. The addition of TransCore into ST Engineering will create a larger group with enhanced products and solutions, new business and footprint in a new geography. This business combination will also allow for cross-selling of our ITS solutions such as smart road

junctions, transportation operation centres, and road traffic optimisation systems to North America.

- We are confident that the addition of TransCore will advance ST Engineering's leadership position in developing Smart City solutions to enable smarter and sustainable cities, and at the same time will deliver value for ST Engineering shareholders.
- 3. What is TransCore's past five years' financial status? Please show more financial details in addition to years 2019 and 2020.**
- TransCore operates as part of Roper Technologies (Roper) and its financials are not disclosed publicly. Roper reports its financials by business segments, and not by individual companies.
  - The audited financial information of TransCore for FY2019 and FY2020 was specifically commissioned by the Seller for divestment purposes, and audited standalone financial details of the TransCore business prior to FY2019 are not available.
- 4. Please provide more breakdown as to how the acquisition benefits ST Engineering financially in the next three to five years?**
- At our recent Investor Day in November 2021, we shared that by 2026 the revenue of our Smart City business is expected to be S\$3.5b, and TransCore is expected to contribute to this growth.
  - TransCore will operate as part of our Smart Mobility business line. Its financials will be subsumed under Urban Solutions & Satcom, per our financial reporting framework. We expect TransCore to be cash flow positive from the first year and earnings accretive from the second year to the Group post acquisition.
  - We intend to provide regular updates on the transition of TransCore into the Group, so that shareholders are informed of the development of this business in its initial years as part of the Group.
- 5. To raise funds for this project, besides taking loans, will ST Engineering go for rights issue and allow shareholders to participate in the acquisition?**
- There is no plan for a rights issue.
  - This acquisition will be fully funded in cash at closing, and through the issuance of debt securities.
- 6. Will the acquisition result in accretive company performance in terms of share price and dividend?**
- The acquisition is expected to be cash flow positive from the first year and earnings accretive from the second year to the Group post-acquisition.

- ST Engineering's dividend payout capacity will remain strong given the Group's high retained earnings and strong cash flows.
- We are unable to comment on share price performance as it is subject to various market forces.

**7. Why make such a substantial acquisition that is close to 30% of ST Engineering's market capitalisation now? Were other transactions considered before deciding on TransCore as the most ideal M&A target for ST Engineering?**

- We have been focused on driving growth in Smart City, one of our strategic areas. We have been on a lookout for potential targets that fit into our strategic growth areas. When presented with the opportunity to buy TransCore, we evaluated and considered it to be an attractive company for ST Engineering.
- TransCore is a strong fit with our Smart Mobility business. It has more than 80 years of history, and is a leader in the transportation industry in North America, providing innovative technical solutions and engineering services for applications encompassing next-generation electronic toll collection, congestion pricing, Intelligent Transportation Systems, back office solutions and RFID products. Importantly, its business is underpinned by:
  - Strong customer retention
  - Strength in execution and strong customer service delivery
  - High recurring business with high contract renewal rate
- It would have taken us extensive time and resources to organically develop a business of this scale and potential.
- Hence, we are confident that the addition of TransCore will advance ST Engineering's leadership position in developing Smart City solutions to enable smarter and sustainable cities, and at the same time will deliver value for ST Engineering shareholders.

**8. Is this acquisition relevant to ST Engineering's needs in Singapore? Where are the target markets outside of local context?**

- Our ambition is to build global champions, grow businesses that are globally competitive, scalable and profitable. Likewise, when we acquire TransCore, we look at the potential it offers in the base country and segments it operates in, and other international markets where we can potentially grow the business.
- As noted in Q&A 2 above, TransCore's leading position in the end-to-end electronic toll collection and congestion pricing segments in North America represents a new business for ST Engineering. This business combination will allow for cross-selling of our ITS solutions such as smart road junctions, transportation operation centres, and road traffic optimisation systems to North America.
- We also see potential for TransCore in the Southeast Asian region, including Indonesia, Thailand and Vietnam. These are markets where our Smart Mobility business has a



strong track record in providing our suite of solutions to help solve transportation issues accelerated by urbanisation.

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## Appendix 2

- 1. Why would Roper Technologies, Inc. (“Roper”) sell the TransCore business to ST Engineering (“Company”) if the business is that good as presented by the Company?**
  - The Company understood that TransCore is not a strategic fit to Roper’s portfolio of businesses which is more focused on software.
  - TransCore solutions complement and strengthen our suite of Smart Mobility solutions, making TransCore a strong strategic fit for the Company. As such, acquiring TransCore would create synergies to the Company and value add to our business portfolio.
  - As stated by Roper’s President and CEO in our press release dated 3 October 2021, the Company would be a great owner for TransCore and would support the business as it pursues the next phase of its innovative work in traffic management, tolling technology, and smart city infrastructure.
- 2. How do you propose to retain key staff and customers of TransCore?**
  - Retention of key staff and customers of TransCore is a key priority for the Company. We will provide competitive remuneration package for the key staff in order to retain them.
  - The Company will be engaging the key staff of TransCore so that they will become more familiar with ST Engineering’s suite of technology capabilities and businesses which augurs well for TransCore’s future growth.
  - TransCore has a talented and competent workforce and the Company values their loyalty and continued service. The Company is committed to invest in TransCore.
- 3. Will the Company raise funds through a rights issue for this proposed acquisition?**
  - The Company has no plan for a rights issue to fund the proposed acquisition.
  - The Company has a strong balance sheet and is able to borrow at competitive rates.

- 4. Is TransCore intended to be a system architecture provider for new ERP gantries across Singapore as well as at ICA checkpoints?**
  - The proposed acquisition of TransCore brings with it a strong competitive position in its home base in the U.S. for road tolling end-to-end solutions. The potential for further growth in the US remains high.
  - Such solutions could also be deployed successfully in other international markets because of TransCore's long track record for providing reliable and efficient road tolling solutions. The Company has identified Southeast Asia as a region that can benefit from TransCore's solutions in road mobility.
  - Our initial focus would include Thailand, Indonesia and Vietnam where the Company has strong presence. These are markets where our Smart Mobility business has strong track records in providing our suite of solutions to help solve transportation issues accelerated by urbanisation.
- 5. Besides the toll system, what are the software that the Company is able to adopt from TransCore? Are there any plans to change or advance TransCore's core hardware business?**
  - TransCore' capabilities encompasses the end-to-end electronic tolling systems value chain. TransCore's RFID technology is resilient, robust and cost effective. It provides high level of accuracy which is a critical feature for tolling solutions to minimise leakage because of the sheer volume of transactions that take place every day. As a result, TransCore has been very successful in rolling out its solutions in the U.S. market and it is currently the market leader in U.S. for this segment.
  - Post transaction, we will make further investments in R&D to develop the next bound tolling technologies. As the technology landscape evolves, we will take into consideration all possibilities, and develop new solutions and technologies with our combined technology know-how.

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**SINGAPORE TECHNOLOGIES ENGINEERING LTD**  
**Incorporated in the Republic of Singapore**  
**(Company Registration No. 199706274H)**

**ANNOUNCEMENT PURSUANT TO  
RULE 704(16) OF THE SGX LISTING MANUAL**

**ANNOUNCEMENT ON RESOLUTION PASSED AT THE  
EXTRAORDINARY GENERAL MEETING**

Singapore Technologies Engineering Ltd (the "Company") is pleased to announce, in accordance with Rule 704(16) of the Listing Manual of the Singapore Exchange Securities Trading Limited, that:-

**RESULTS OF EGM**

- A. At the Extraordinary General Meeting ("EGM") of the Company held at 10.00 a.m. today, the Resolution relating to the following matter as set out in the Notice of the EGM dated 30 November 2021 were put to the Meeting and duly passed on poll vote:-

Resolution Number and Details	Total Number of Shares Represented by Votes For and Against the Relevant Resolution	For		Against	
		Number of Shares	As a percentage of total number of votes for and against the resolution (%)	Number of Shares	As a percentage of total number of votes for and against the resolution (%)
Ordinary Resolution					
Proposed acquisition of all of the issued and outstanding interests of TransCore Partners, LLC and TLP Holdings, LLC from TransCore Holdings, LLC	<b>2,320,722,963</b>	<b>2,318,975,699</b>	<b>99.92</b>	<b>1,747,264</b>	<b>0.08</b>

- B. Details of parties who are required to abstain from voting on the resolution, including the number of shares held and the individual resolution(s) on which they are required to abstain from voting: NIL.
- C. Name of firm and/or person appointed as scrutineer: RHT Governance, Risk & Compliance (Singapore) Pte. Ltd.

By Order of the Board

TAN WAN HOON  
Joint Company Secretary

Singapore  
15 December 2021