

SEMBCORP MARINE LTD
(Incorporated in Singapore)
(Company Registration No. 196300098Z)
(the “Company” or “SCM”)

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD BY
WAY OF ELECTRONIC MEANS ON MONDAY, 23 AUGUST 2021 AT 2.00 PM**

PRESENT

Shareholders (who attended via live webcast or audio conference) : Please refer to the attendance records maintained by the Company.

Board of Directors

Tan Sri Mohd Hassan Marican : Chairman
Mr Wong Weng Sun : Director
Mr Eric Ang Teik Lim : Director (attended via live webcast)
Mr Bob Tan Beng Hai : Director (attended via live webcast)
Mrs Gina Lee-Wan : Director (attended via live webcast)
Mr William Tan Seng Koon : Director (attended via live webcast)
Mr Patrick Daniel : Director (attended via live webcast)
Mr Tan Wah Yeow : Director (attended via live webcast)
Mr Koh Chiap Khiong : Director (attended via live webcast)

In Attendance / By Invitation

Mr Goh Khor Boon William : Group Finance Director
Ms Tan Yah Sze (“TYS”) : Joint Company Secretary
Ms Kem Huey Lee Sharon : Joint Company Secretary (attended via live webcast)
Other Advisers / Management / Employees (who attended via live webcast) : Please refer to the attendance records maintained by the Company.

1 INTRODUCTION

- 1.1 TYS welcomed all who had joined the extraordinary general meeting of the Company (the “EGM”) by webcast and audio means. She introduced the directors, the President & CEO, and the Group Finance Director. Representatives from Allen & Gledhill LLP, the Company’s legal advisers, had also joined the EGM via webcast.
- 1.2 The EGM was held to consider the proposed renounceable underwritten rights issue as set out in the notice of the EGM dated 4 August 2021 (the “EGM Notice”).
- 1.3 The Company had on 19 and 23 August 2021 posted its responses to shareholders’ questions submitted in advance of the EGM (attached hereto as Appendix 1 and Appendix 2) on SGXNet as well as on the Company’s website.

2 CHAIRMAN'S GREETING

- 2.1 The Chairman welcomed shareholders who attended the virtual EGM by webcast and audio means.

3 QUORUM

- 3.1 The Chairman noted that there was a quorum and proceeded to call the EGM to order.

4 NOTICE OF MEETING

- 4.1 The EGM Notice had been sent to shareholders. The circular dated 4 August 2021 (the "Circular") had also been sent to shareholders by electronic means. Both the EGM Notice and Circular had been published on the Company's website as well as on SGXNet.
- 4.2 The Chairman took (i) the EGM Notice as well as the proposed ordinary resolution contained therein and (ii) the Circular as read.

5 PROXY AND POLLING

- 5.1 The Chairman informed that due to the current Covid-19 situation in Singapore, shareholders were not able to attend the EGM in person. Shareholders had appointed the chairman of the meeting, as their proxy to vote on their behalf. The chair would vote and abstain from voting according to the shareholders' specific instructions on the proposed resolution.
- 5.2 The Chairman informed that the Company had appointed T S Tay Public Accounting Corporation as the scrutineer for the vote taking.

6 ORDINARY RESOLUTION – THE PROPOSED RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE

- 6.1 The Chairman proposed the following Ordinary Resolution:

"THAT:

- (a) a renounceable underwritten rights issue of 18,833,468,826 Rights Shares at the Issue Price on the basis of three (3) Rights Shares for every two (2) Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded (the "Rights Issue"), be and is hereby approved;
- (b) authority be and is hereby given to the Directors to undertake the Rights Issue, provisionally allot and issue the Rights Shares at the Issue Price on the basis of three (3) Rights Shares for every two (2) existing Shares held by the Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded, and allot and issue the Rights Shares at the Issue Price on the terms and conditions set out below and/or on such other terms and conditions (including the basis of provisional allotments of the Rights Shares) as the Directors may in their absolute discretion and from time to time think fit:

- (i) the provisional allotment of the Rights Shares shall be made on a renounceable basis to Entitled Shareholders;
 - (ii) no provisional allotment of the Rights Shares shall be made to Foreign Shareholders unless otherwise determined by the Directors that the Rights Shares may be offered based on applicable securities legislation;
 - (iii) the provisional allotment of the Rights Shares which would otherwise accrue to Ineligible Shareholders may be disposed of, or dealt with, by the Company in such manner and on such terms and conditions as the Directors shall deem fit for the purpose of renouncing the provisional allotment relating thereto to purchasers thereof and to pool and thereafter distribute the net proceeds, if any, thereof (after deducting all expenses) among such Ineligible Shareholders in proportion to their respective shareholdings as at the Record Date provided that if the amount to be distributed to any single Ineligible Shareholder or persons acting to account or benefit of any such persons is less than S\$10.00, such amount shall instead be retained or dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company;
 - (iv) the provisional allotment of the Rights Shares which are not taken up or allotted for any reason shall be aggregated and allotted to satisfy excess applications for the Rights Shares (if any) or disposed of or otherwise dealt with in such manner as the Directors may in their absolute discretion deem fit for the benefit of the Company (including the allotment and issue of Rights Shares to satisfy any subscription of Rights Shares pursuant to the Undertaking Agreement and the Management Agreement and Underwriting Agreement); and
 - (v) the Rights Shares when allotted and issued will rank *pari passu* in all respects with the then existing issued Shares, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Rights Shares;
- (c) the Directors be and are hereby authorised to fix the Record Date in their absolute discretion; and
- (d) the Directors be and are hereby authorised to take such steps, do all such acts and things (including but not limited to finalising, approving and executing all such documents as may be required in connection with the Rights Issue, the issue of the Rights and the issue of the Rights Shares, and making amendments to the terms and conditions of the Rights Issue (including the Issue Price)), and to exercise such discretion as the Directors may in their absolute discretion deem fit, advisable or to give full effect to this resolution, the Rights Issue and the allotment and issue of the Rights Shares.”

6.2 The Chairman put the motion to vote. The proposed Ordinary Resolution was passed by a majority of votes as set out in the poll results attached hereto as “Appendix 3” (the “Poll Results”).

7 CLOSURE OF MEETING

- 7.1 The Chairman thanked shareholders for supporting the Ordinary Resolution.
- 7.2 There being no other business, the meeting ended at 2.07 pm. The Chairman thanked shareholders for their attendance at this virtual EGM.

CONFIRMED BY

Tan Sri Mohd Hassan Marican
Chairman of the Meeting

Not for distribution in the United States



This announcement is not for distribution, directly or indirectly, in or into the United States of America including its territories and possessions, any state of the United States and the District of Columbia (the "United States"), Canada or Japan. The provisional allotments of Rights Shares, the Rights Shares and the Excess Rights Shares referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state of the United States and, accordingly, they may not be offered, sold, resold, granted, delivered, allotted, taken up, transferred or renounced, directly or indirectly, in the United States except pursuant to an applicable exemption from the registration requirements of the Securities Act. Accordingly, the provisional allotments of Rights Shares, the Rights Shares and the Excess Rights Shares are being offered and sold only outside the United States in "offshore transactions" in reliance on Regulation S. No public offering of securities is being made in the United States.

SEMBCORP MARINE LTD

(Incorporated in the Republic of Singapore)
Company Registration No.: 196300098Z

ANNOUNCEMENT EXTRAORDINARY GENERAL MEETING IN RELATION TO PROPOSED RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE TO RAISE GROSS PROCEEDS OF APPROXIMATELY S\$1.5 BILLION

RESPONSE TO QUESTIONS FROM SHAREHOLDERS

Unless otherwise defined, all terms and references used herein shall bear the same meanings ascribed to them in the Circular (as defined below).

1. INTRODUCTION

The Directors refer to the announcements of Sembcorp Marine Ltd ("**SCM**" or the "**Company**") and together with its subsidiaries, the "**Group**") dated 24 June 2021, 3 August 2021, 4 August 2021 and 18 August 2021, and the Circular to Shareholders dated 4 August 2021 (the "**Circular**"), in relation to the proposed renounceable underwritten rights issue by the Company (the "**Rights Issue**") to raise gross proceeds of approximately S\$1.5 billion. Pursuant to the Rights Issue, up to 18,833,468,826 Rights Shares will be offered at the Issue Price of S\$0.08 for each Rights Share, on the basis of three (3) Rights Shares for every two (2) existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.

2. RESPONSE TO QUESTIONS FROM SHAREHOLDERS

The Group has received questions from Shareholders in relation to the Rights Issue and the EGM, and has prepared and is releasing with this announcement, responses to the said questions.

The Company expects to continue to receive further questions up to the EGM, and, to the extent substantial and relevant, will endeavour to respond to them by way of further announcement(s) on the SGXNet.

BY ORDER OF THE BOARD

Tan Yah Sze/Kem Huey Lee Sharon
Joint Company Secretaries

19 August 2021
Singapore

IMPORTANT NOTICE

This announcement is for information only and does not constitute or form part of any offer or invitation to sell or issue or subscribe for, or any solicitation of any offer to acquire, any Rights Shares or to take up any entitlements to Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any Rights Shares except on the basis of the information contained in an offer information statement to be lodged by the Company with the Monetary Authority of Singapore. The information contained in this announcement is not for release, publication or distribution to persons in the United States and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of Rights Shares and the acquisition or purchase of the Rights Shares are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

The distribution of this announcement into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this announcement and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement, and confirm, after taking all reasonable care and making all reasonable enquiries that, the facts stated and the opinions expressed herein are fair and accurate and constitutes full and true disclosure of all material facts about the Rights Issue and the Group which are relevant to the Rights Issue and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this document in its proper form and context.

SEMBCORP MARINE LTD
EXTRAORDINARY GENERAL MEETING IN RELATION TO
PROPOSED RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE TO
RAISE GROSS PROCEEDS OF APPROXIMATELY S\$1.5 BILLION

Questions & Answers

(19 August 2021)

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I. RIGHTS ISSUE, TRANSACTION STRUCTURE AND RATIONALE

1. Please explain the basis for the heavily discounted and dilutive Rights Issue Price at S\$0.08 per share? Why was this heavy discount approved? How does this benefit minority Shareholders?

I subscribed fully to the 2020 Rights Issue last year and will have challenges to subscribe fully to the 2021 Rights Issue. What can I do?

The Issue Price for the Rights Issue and discount were determined after taking into account various factors, including precedent transactions, the transaction size and discussions with DBS as the Sole Financial Adviser, Manager and Underwriter of the Rights Issue. The 35.7% discount to TERP¹ for the current Rights Issue is similar to the 35.1% discount to TERP² for the 2020 Rights Issue. We hope to make the Rights Issue accessible so that as many of our Shareholders will participate.

As the Rights Issue will be offered on a *pro rata* basis, all Entitled Shareholders will have the opportunity to participate and by doing so, maintain their percentage shareholding interests in the Company.

The Rights Issue entitlements are renounceable and tradeable on the Main Board of the SGX-ST. Hence, Entitled Shareholders will have the option to accept, decline, renounce or (in the case of the Entitled Depositors only) trade, in whole or in part, their provisional allotment of the Rights Shares. They will also be eligible to apply for Rights Shares in excess of their respective provisional allotment under the Rights Issue.

In the allotment of Excess Rights Shares, Shareholders (other than Directors, Startree and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors) will rank in priority.

In summary, the Rights Issue will have the following merits:

- (i) strengthens the Group's financial position and replenishes temporary working capital depletion amidst continuing COVID-19 disruptions;
- (ii) reinforces lenders' and customers' confidence in their continued partnerships with the Group;
- (iii) enables the Group to continue to successfully execute existing projects and competitively bid for high-value and large-scale projects;
- (iv) allows the Group to pursue strategic investments to further augment its technological capabilities; and
- (v) accelerates the Group's strategic transition towards the high-growth renewable and clean energy segment, to secure sustainable long-term growth.

¹ Theoretical Ex-Rights Price is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the last transacted price of the Shares on the Mainboard of the SGX-ST of S\$0.191 on the Last Trading Day, and the number of Shares following the completion of the Rights Issue.

² TERP based on the Company's closing share price before announcing the 2020 Rights Issue.

2. Why do you need to conduct this Rights Issue again in such a short span of time following the previous 2020 Rights Issue? Wasn't the critical need for liquidity already addressed by the 2020 Rights Issue?

What is your plan to improve cash flow?

Proceeds of S\$2.1 billion from the 2020 Rights Issue had reduced the Group's leverage and debt servicing obligations by converting the S\$1.5 billion subordinated loan owing to Sembcorp Industries into equity in the Company. Of the balance S\$0.6 billion net cash proceeds from the 2020 Rights Issue, approximately S\$0.43 billion has been used for working capital purposes with approximately S\$0.16 billion of the net proceeds remaining from the 2020 Rights Issue.

Near-term liquidity: Impact of COVID-19

The impact on the Group from the protracted effects from the COVID-19 pandemic in the first half of this year has been severe and unanticipated. The re-introduction of COVID-19 measures this year, including tighter border controls, created supply chains disruption and exacerbated the shortage of skilled manpower. In addition, the Group faced attrition of its workers to other industries.

The acute labour shortage has resulted in delays in the scheduled completion of projects. Since the onset of the COVID-19 pandemic, a majority of the Group's projects have been delayed by at least 12 months. Although there has been no cancellation of any of the Group's existing projects to-date, any further delay heightens the risk of project cancellation and termination.

The Group has taken active steps, including recruitment from alternative sources to address the labour shortage and minimise further project delays. Whilst good progress has been made on this front, this has resulted in increased manpower and other related costs (such as associated re-scheduling of work, extra sub-contract work, additional material usage and other staff turnover related expenses) to complete 14 of the Group's ongoing projects over the next 18 months. On average, recruitment from alternative sources costs more than twice that from the sources the Group used to recruit from.

The delay in execution and rescheduling of projects have resulted in deferred customer payments and a significant reduction in revenue receipts, impacting the near-term liquidity position of the Group.

Operational Measures

The Group continues to actively undertake measures to reduce the operational cash burn rate and carefully manage working capital. It has deferred all non-essential capital expenditure. The Group has worked with external consultants to develop a holistic Performance Improvement Plan to drive operational improvements and optimise its cost structure.

However, all the measures implemented are not able to fully address the heightened challenges and the impact of the protracted pandemic and the industry downturn.

Strategic Business Transformation

Since 2015, the Group has embarked on a strategic business transformation to re-balance its product solutions portfolio with an increasing focus on renewables and other green

solutions, underpinned by its operational and technology bench strengths to position itself for the future. The Group has already built the base capabilities to provide solutions for clean and renewable energy. As the Group progressively completes its existing projects, it will free up resources to allow the Group to capitalise on the significant growth expected in the renewables and clean energy segment over the long-term.

In view of the above, the Board of Directors believes that an equity rights issue at this point is critically required.

The Rights Issue will address the Company's immediate funding needs amid continuing COVID-19 disruptions and is required to strengthen the Group's balance sheet, replenish the temporary working capital depletion and enhance the Company's liquidity position to meet the projected operational funding requirements through to end 2022.

3. Has the Board evaluated all the viable alternatives to raise working capital via debt instruments or at least with a combination of debt and rights issue?

The Board of Directors has considered various financing options, including debt, equity-linked financing and/or other equity financing. Each of these financing options were evaluated taking into consideration its availability, quantum, timing and transaction execution risk.

The challenging business conditions have created increasing pressure on the Group in refinancing its existing maturing debt facilities. As such, obtaining additional debt financing from lenders is unlikely to be available nor sufficient to meet all of the Group's funding needs. Adding debt would also increase the pressure on cash flow through higher debt servicing needs, which is not ideal in the current prolonged industry downturn and uncertainty due to the COVID-19 pandemic.

The proposed Rights Issue, with the undertaking by Startree, an indirect wholly-owned subsidiary of Temasek, and underwriting by DBS, provides certainty to the Company to raise the S\$1.5 billion it critically requires. The completion of the Rights Issue will significantly de-leverage the Group. The Group's net gearing as at 30 June 2021 will be reduced from 0.92x to 0.29x on a pro forma basis, and its cash position will be improved by approximately S\$1.5 billion.

4. What is your plan for the S\$1.5 billion proceeds raised? It was mentioned in the Letter to Shareholders dated 4 August 2021 that the proceeds from the Rights Issue will be used to fund operational requirements till end of 2022. What happens after that?

For the 2020 Rights Issue, S\$1.5 billion of the S\$2.1 billion raised was used to pay off loans. Will this be the scenario this time round for the current proposed Rights Issue? Could you provide a breakdown of the use of proceeds (debt servicing, general corporate purposes and working capital)?

Will the Company conduct another Rights Issue again in one or two years? What is the reassurance that there will not be a third Rights Issue exercise? Is it going to be the last Rights Issue for several years to come?

The current proposed S\$1.5 billion Rights Issue will address the Group's immediate funding needs amid continuing COVID-19 disruptions and is required to strengthen the

Group's balance sheet, replenish the temporary working capital depletion and enhance its liquidity position to meet the projected operational funding requirements through to end 2022.

The Group intends to utilise the entire net proceeds from the 2021 Rights Issue for working capital and general corporate purposes, including debt servicing. Please refer to paragraph 6 of the Circular to Shareholders dated 4 August 2021 for further details.

The Group will make periodic updates on the utilisation of the proceeds from the Rights Issue as the funds from the Rights Issue are materially disbursed, and provide a status report on the use of the proceeds from the Rights Issue.

The Group is of the view that it must transition more quickly to the fast-growing renewable and clean energy segment. The Rights Issue will allow the Group to accelerate its strategic expansion into the high-growth renewable and clean energy segment, better position the Group to fulfil existing commitments, win new high-value, large-scale projects, continue to augment its technological capabilities and secure sustainable long-term growth. The liquidity from the Rights Issue is vital in fortifying the Group's financial position and will enable the Group to emerge as a strong and innovative player with an increasing strategic focus on clean, sustainable and renewable energy solutions.

Whilst it is not possible to comment on its future funding needs that includes further recapitalisation, the Group would like to assure Shareholders that further Rights Issues, if any, would be proposed to Shareholders only if there are no other available options.

5. How is the Board going to guarantee that the capital raised from the Rights Issue will not be used to pay Keppel Corporation for KOM when it is assigned as working capital? Why conduct this Rights issue to raise funds when news on the Potential Combination is already out?

Can you provide an update on the discussions with Keppel Corp on the proposed merger i.e. the form it will take and timeline etc? What is the impact of the proposed combination with Keppel O&M on Shareholders and bondholders?

The current proposed S\$1.5 billion Rights Issue is a separate and independent transaction from the Potential Combination.

For the avoidance of doubt, the net proceeds from the Rights Issue will not be used to fund any payment in relation to the Potential Combination.

The Group would like to emphasise that discussions between parties on the Potential Combination are currently at a preliminary stage with no certainty that the Potential Combination will take place. The Potential Combination is subject to among others, satisfactory due diligence, further negotiations between parties, execution of definitive agreements, receipt of the relevant regulatory approvals and the approval of Shareholders (if and where required) of the respective parties.

The Company will update Shareholders in due course in the event of any material developments in relation to the Potential Combination.

6. Why is there a need to include the Compliance Offer in the proposed Rights Issue?

If the Compliance Offer is made by Temasek, must Shareholders tender all their Shares to Temasek at S\$0.08 or can they retain all or part of the Shares? Are Shareholders able to reject the Rights?

Will I end up losing all my shares (including those from Rights Issue) at 8 cents each? As such, why should I agree to the Rights Issue then?

Under Rule 14.1 of the Singapore Code on Take-overs and Mergers (the "Code"), where any person who, together with persons acting in concert with that person, holds not less than 30% but not more than 50% of the voting rights of a company and such person, or any person acting in concert with him, acquires, in any period of six months, additional shares carrying more than 1% of the voting rights of the company, such person is required to make a mandatory general offer for all the shares in the company which the person and/or persons acting in concert do not already own or control.

The fulfilment by Startree, an indirect wholly-owned subsidiary of Temasek, of its obligations under the Undertaking Agreement may result in the Temasek Concert Party Group increasing its shareholding in the Company by more than 1%. If this occurs, in accordance with Rule 14 of the Code, Temasek and its concert parties would incur an obligation to make a Compliance Offer for the remaining shares not already owned or controlled by the Temasek Concert Party Group, at the highest price at which the Temasek Concert Party Group has acquired Shares in the six months preceding the Compliance Offer and during the period of the Compliance Offer.

In this instance, based on information available to Temasek, the offer price which the Temasek Concert Party Group will be obliged to offer under the Compliance Offer will be the Issue Price for the Rights Issue.

If the Compliance Offer is required, it is not mandatory for minority Shareholders to tender their Shares or Rights Shares to Temasek. All Shareholders are free to retain or sell all or part of their shares to Temasek at their discretion.

Shareholders should note that there is no certainty that the obligation to launch a Compliance Offer will occur and that the Compliance Offer will be made. Shareholders are advised to exercise caution when dealing with their Shares or other securities of the Company.

7. Please explain in detail how the Excess Rights Shares will be distributed?

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots. Allocations of Excess Rights Shares to other Shareholders will rank in priority before allocations to Directors, Startree and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors.

8. How long is the term of the Rights Issue, and what are the returns during maturity or surrender of the Rights?

The current proposed Rights Issue is an equity rights issue and there is no maturity period or surrender value involved. Entitlements to subscribe for the Rights Shares are renounceable and tradeable on the Main Board of the SGX-ST. Shareholders will have the option to accept, decline, renounce or trade, in whole or in part, their provisional allotments of the Rights Shares.

The Rights Shares when allotted and issued will rank *pari passu* in all respects with the then existing issued Shares, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Rights Shares.

9. What would be the repercussions if the Rights Issue cannot proceed? What are the contingency plans without hurting my investment?

The Board of Directors has considered various financing options and believes that a Rights Issue at this point is the most optimal solution. The fully committed nature of the proposed Rights Issue means that the Group and its stakeholders, including investors and customers, have the assurance that the Group will raise approximately S\$1.5 billion that it critically requires if the Rights Issue Resolution is passed.

If the Rights Issue Resolution is not approved by the Shareholders, the Rights Issue will not proceed and the critical need to address the Group's liquidity requirements will not be met.

The Group will need to re-evaluate other financing options, including debt, equity-linked financing and/or other equity financing. The Group would need to study the availability, quantum, timing and transaction execution risks that relate to such financing options. The challenging business conditions have created increasing pressure on the Group in refinancing its existing maturing debt facilities. Securing additional debt financing from lenders is unlikely to be available nor sufficient to meet the Group's funding needs.

In the absence of a recapitalisation, the Group will face challenges to continue operating as a going concern. Please refer to paragraph 4 of the Circular to Shareholders dated 4 August 2021 for further details.

10. How do you foresee the price movement of the Shares with the issuance of the Rights Issue?

As the price of the Shares is market driven, we are not able to comment on the expected Share price after the Rights Issue.

11. Is Sembcorp Marine thinking of going private?

The Group plans to maintain its listing status.

Temasek has also informed the Company that in the event a Compliance Offer is required, its current intention is to maintain the listing status of the Company on the SGX-ST, but it reserves the right to re-evaluate its position on the Company's listing status.

12. If the Rights Issue is unsuccessful does it weaken SCM's bargaining power in negotiations with Keppel for merger with their O&M business?

If Shareholders do not approve the Rights Issue, the most immediate impact is that the critical need to address the Group's liquidity requirements will not be met.

The Group's proposed Rights Issue is a separate and independent transaction from the Potential Combination. Discussions on the Potential Combination are at a preliminary stage.

For the avoidance of doubt, the Potential Combination is not subject to the completion of the Rights Issue and the net proceeds from the Rights Issue will not be used to fund any payment to Keppel in relation to the Potential Combination.

The Company will update Shareholders in due course in the event of any material developments in relation to the Potential Combination.

II. ACTIONS AND STEPS FOR SHAREHOLDERS

13. What are the key dates to note for the Rights Issue? What is the estimated period for subscription of the Rights Issue? When will the newly subscribed Rights Shares be listed and tradeable by Shareholders?

Based on the indicative timeline in the Circular to Shareholders dated 4 August 2021, the key dates to note are listed in the table below.

Key Events	Indicative Date / Time
Expected last date for Shares to trade “cum-rights” to the Rights Issue	On or around 24 August 2021
Expected first date for Shares to trade “ex-rights” to the Rights Issue	On or around 25 August 2021
Expected Record Date	On or around 26 August 2021 at 5.00 p.m
Expected first date for commencement of trading of Rights	On or around 31 August 2021 from 9.00 a.m.
Expected first date for acceptance of and payment for the Rights Shares and/or applications for Excess Rights Shares	On or around 31 August 2021
Expected last date for splitting and trading of Rights	On or around 8 September 2021
Expected last date for acceptance of and payment for Rights Shares and/or applications for Excess Rights Shares	On or around 14 September 2021
Expected date of commencement of trading of Rights Shares	On or around 22 September 2021

More information will be provided in the Offer Information Statement that will be issued in due course.

14. Which date is the provisional allotment of Rights Shares based on? When is the last date I need to buy or hold the Shares in order for the Shares to qualify for the provisional allotments?

On which date can I sell my existing Shares without affecting the number of provisional allotment of Rights Shares that I would be entitled?

Entitled Shareholders will be provisionally allotted Rights Shares under the Rights Issue on the basis of their shareholdings in the Company as at the Record Date, which is on 26 August 2021.

The expected last date for Shares to trade “cum-rights” to the Rights Issue is on or around 24 August 2021. Shares purchased on or before the “cum-rights” date and held as at the “cum-rights” date will be included in the register of members as at the Record Date, which forms the basis of determining the provisional allotment of the Rights Shares to that Shareholder.

The expected first date for Shares to trade “ex-rights” is on or around 25 August 2021. Sale of Shares on or after the “ex-rights” date will not affect a Shareholder’s entitlement to the provisional allotment of the Rights Shares, which is determined at the Record Date.

15. Do I need to pay for the provisionally allotted Rights Shares that I am entitled to? How do I pay for it?

Entitled Shareholders will be at liberty to accept, decline, renounce or (in the case of Entitled Depositors only) trade on the SGX-ST (during the Rights trading period prescribed by the SGX-ST) their provisional allotments of Rights Shares (in full or in part) and are eligible to apply for Excess Rights Shares in excess of their provisional allotment under the Rights Issue.

If you wish to accept your entitlement of the Rights Shares and/or apply for Excess Rights Shares, you need to make payment of S\$0.08 for each Rights Share accepted and/or applied for.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the Rights and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, will be set out in the Offer Information Statement that will be issued in due course.

16. If I apply for all the provisionally allotted Rights Shares given to me, will I be given a lesser number than what I have applied/paid for?

Entitled Shareholders who accept and pay for their provisional allotment of the Rights Shares in full will receive the full allocation of the Rights Shares.

Shareholders will also be eligible to apply for Rights Shares in excess of their respective provisional allotment under the Rights Issue. In the event of over-subscription for Excess Right Shares, allocations of Excess Rights Shares to other Shareholders will rank in priority before allocations of the Undertaken Excess Rights Shares to the Directors, Startree and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors.

III. BUSINESS MANAGEMENT AND OUTLOOK

17. What is the long-term plan of Sembcorp Marine? What is Sembcorp Marine's vision and roadmap to return it to profitability? What are the plans going forward for the next few years? What would the Company need to bring it to fruition? When will the company return to profitability?

Since 2015, the Group has embarked on a strategic business transformation to re-balance its product solutions portfolio with an increasing focus on renewables and other green solutions. The Group has in the last several years, built a creditable position and track record in clean and renewables offshore solutions. Green energy solutions comprised approximately 34% of the Group's net order book of S\$1.78 billion as at 30 June 2021.

According to the Rystad Energy publication dated 29 April 2021, global offshore wind expenditure from 2020 to 2030 is projected to grow at a CAGR of 11% per annum to reach approximately US\$126 billion per year by 2030. The onset of the COVID-19 pandemic has also accelerated the ongoing energy transition, with growing global demand for low-carbon energy opening opportunities in renewables and other clean energy. The Group believes this is a structural trend and is accelerating its transformation to gain further traction and strengthen its market share in this segment.

The Group continues to augment the three key pillars of its strategic thrusts to take it further on its transformation journey. It continues to 1) diversify in tandem with the global energy shift; 2) invest in our yard capabilities; and 3) acquire strategic technology. Please refer to paragraph 2.3 of the Circular to Shareholders dated 4 August 2021 for further details.

Additionally, the Group has actively undertaken measures to improve the operating and financial performance of the standalone business. Specifically, the Company has engaged external consultants to develop a holistic Performance Improvement Plan ("PIP") to drive operational improvements and optimise its cost structure. The PIP will include strategic cost management initiatives, improved project execution and procurement processes, digitisation and overall reduction of overheads. The PIP aims to deliver significant savings and increase the competitiveness and profitability of the Group

18. Will dividends be resumed upon profitability?

It is the intention of the Company to resume the distribution of dividends as soon as it is able to.

19. Why is it that some of your peers are doing relatively well whereas you are struggling? What went wrong? Did you right-size your manpower? Why are you unable to cope with the manpower crunch?

If part of the write-off is due to labour shortages, when do you expect the problem of labour shortages to be resolved? If it is not resolved how does getting more contracts be it in renewable energy or O&G help our company's profitability?

The global offshore and marine industry has seen prolonged and severe downturn since 2015, following major structural changes in the energy industry, a sudden drop in oil prices in 2020, and the ongoing energy transition.

The onset of the COVID-19 pandemic in 2020 further delayed the industry recovery with reductions in capital expenditures and deferment in final investment decisions by oil and gas majors. The continuing impact of COVID-19, which further extended into 2021, was severe and unanticipated, resulting in significant disruptions to our supply chain and yard operations.

The re-introduction of COVID-19 restrictions to combat new waves of localised infections, including tightened border controls, led to an acute shortage of skilled manpower. In addition, there was the attrition of workers to other competing industries in Singapore.

The acute labour shortage has resulted in delays in the scheduled completion of projects, with a majority of the Group's projects delayed by at least 12 months since the onset of the pandemic.

To address the labour crunch, minimise further project delays, and mitigate the risk of project cancellations, the Group has actively sourced for skilled workers from temporary alternative sources and worked with the relevant authorities to expedite their entry into Singapore. The Group has made good progress on this front. However, this has resulted in increased manpower and other related costs to complete the Group's ongoing projects over the next 18 months.

On average, recruitment from the alternative sources costs more than twice that from the Group's usual sources. Together with other related costs to complete most of our existing projects over the next 6 to 18 months, the Group made provisions of S\$361 million in 1H2021 (post-tax basis).

The Group remains well-placed to support the global energy needs premised on a low-carbon footprint with a balanced portfolio across O&M and energy product solutions.

20. Please explain the share buy-back on 5 August 2021. Why is the Company purchasing Shares when it is in need of cash and proposing this highly dilutive Rights Issue?

As set out in the Circular, pursuant to the RSP2010 and the PSP2010, there are awards in respect of 1,167,017 Shares (the "Awards") that may be released on or prior to the Record Date. If such Awards are released on or prior to the Record Date, the Company intends to satisfy the release of the Awards by way of transfer of treasury shares, and no new Shares will be allotted and issued to satisfy the release of these Awards. As at the Latest Practicable Date, the Company had 416,840 treasury shares and could buy back additional Shares on-market to satisfy the release of the Awards.

The Company purchased 744,100 shares in the open market on 5 August 2021 under its existing share buy-back mandate to satisfy the release of the Awards.

21. How is the progress of the current bidding projects? Any foreseen announcement timetable on project awards throughout 2021 to 2022?

The Group is actively tendering for more than 10 projects, especially in the Renewable Energy and Gas Solutions segment. A similar number of tenders are in progress for the Process Solutions segment covering Floating Production Storage and Offloading vessels (FPSO), Floating Storage Offloading vessels (FSO) and Floating Production Units (FPU).

One of the key projects anticipated to proceed towards final investment decision in the second half of 2021 is the Cambo FPSO project.

The recapitalisation via the proposed Rights Issue and strengthened balance sheet will enable the Group to continue to tender for and win new high-value and large-scale contracts, particularly opportunities in the rapidly growing clean and renewable energy segment.

22. Could you comment on the projected returns of the high-growth clean and renewable energy projects? What is the proportion of revenues and profits you expect to yield from these projects and the estimated timeline?

The Group has made significant inroads into the renewable energy sector with its first win of a design and build contract for the offshore substation platform for Siemens' Dudgeon Offshore Wind Farm located in the United Kingdom North Sea, which has since been successfully completed and delivered in 2016. The Group recently completed the fabrication of two offshore substations which has set sail for Ørsted's UK Hornsea 2 Offshore Wind Farm on 15 August 2021. Other wind farm projects currently being undertaken by the Group include the fabrication of 15 jacket foundations for the Formosa 2 Offshore Wind Farm; and the design, construction, installation and commissioning of the offshore converter platform for RWE Renewables Sofia Offshore Wind Farm.

Due to the global energy transition towards cleaner products and solutions, the renewable and clean energy sector is expected to experience significant growth over the next decade and beyond, the Group expects to gain further traction and strengthen its market share in this segment.

As at 30 June 2021, green energy solutions comprise approximately 34% of the Group's net order book. The Group's range of cleaner product solutions include Wind Farm Solutions, Small Waterplane Area Cylindrical Hull Solutions, Zero-emission battery-powered & Hydrogen Fuel Cell Powered Vessels, LNG-Battery Hybrid Tugs and Gravifloat LNG Terminals. While the Group has proactively diversified its business and product segments towards the provision of clean energy solutions, oil and gas remain a focus.

Not for distribution in the United States

This announcement is not for distribution, directly or indirectly, in or into the United States of America including its territories and possessions, any state of the United States and the District of Columbia (the "United States"), Canada or Japan. The provisional allotments of Rights Shares, the Rights Shares and the Excess Rights Shares referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state of the United States and, accordingly, they may not be offered, sold, resold, granted, delivered, allotted, taken up, transferred or renounced, directly or indirectly, in the United States except pursuant to an applicable exemption from the registration requirements of the Securities Act. Accordingly, the provisional allotments of Rights Shares, the Rights Shares and the Excess Rights Shares are being offered and sold only outside the United States in "offshore transactions" in reliance on Regulation S. No public offering of securities is being made in the United States.

SEMBCORP MARINE LTD

(Incorporated in the Republic of Singapore)
Company Registration No.: 196300098Z

ANNOUNCEMENT EXTRAORDINARY GENERAL MEETING IN RELATION TO PROPOSED RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE TO RAISE GROSS PROCEEDS OF APPROXIMATELY S\$1.5 BILLION RESPONSE TO ADDITIONAL QUESTIONS FROM SHAREHOLDERS

Unless otherwise defined, all terms and references used herein shall bear the same meanings ascribed to them in the Circular (as defined below).

1. INTRODUCTION

The Directors refer to the announcements of Sembcorp Marine Ltd (the "**Company**") and together with its subsidiaries, the "**Group**") dated 24 June 2021, 3 August 2021, 4 August 2021, 18 August 2021 and 19 August 2021, and the Circular to Shareholders dated 4 August 2021 (the "**Circular**"), in relation to the proposed renounceable underwritten rights issue by the Company (the "**Rights Issue**") to raise gross proceeds of approximately S\$1.5 billion. Pursuant to the Rights Issue, up to 18,833,468,826 Rights Shares will be offered at the Issue Price of S\$0.08 for each Rights Share, on the basis of three (3) Rights Shares for every two (2) existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.

2. RESPONSE TO QUESTIONS FROM SHAREHOLDERS

Subsequent to the Company's announcement dated 19 August 2021 where the Company had provided responses to questions received from Shareholders in relation to the EGM, the Company has received additional questions from Shareholders on the EGM. The Company has prepared and is releasing with this announcement, responses to the substantial and relevant additional questions received.

BY ORDER OF THE BOARD

Tan Yah Sze/Kem Huey Lee Sharon
Joint Company Secretaries

23 August 2021
Singapore

IMPORTANT NOTICE

This announcement is for information only and does not constitute or form part of any offer or invitation to sell or issue or subscribe for, or any solicitation of any offer to acquire, any Rights Shares or to take up any entitlements to Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any Rights Shares except on the basis of the information contained in an offer information statement to be lodged by the Company with the Monetary Authority of Singapore. The information contained in this announcement is not for release, publication or distribution to persons in the United States and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of Rights Shares and the acquisition or purchase of the Rights Shares are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

The distribution of this announcement into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this announcement and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement, and confirm, after taking all reasonable care and making all reasonable enquiries that, the facts stated and the opinions expressed herein are fair and accurate and constitutes full and true disclosure of all material facts about the Rights Issue and the Group which are relevant to the Rights Issue and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this document in its proper form and context.

SEMBCORP MARINE LTD
EXTRAORDINARY GENERAL MEETING IN RELATION TO
PROPOSED RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE TO
RAISE GROSS PROCEEDS OF APPROXIMATELY S\$1.5 BILLION

Questions & Answers

(23 August 2021)

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I. RIGHTS ISSUE, TRANSACTION STRUCTURE AND RATIONALE

- 1. Please disclose the average price of the shareholdings of the Company's Directors and Temasek so that Shareholders will be able to make informed decisions about the number of Excess Rights Shares to apply.**

The shareholdings of the Company's Directors and Temasek as at the Latest Practicable Date on 29 July 2021 can be found in the Circular to Shareholders dated 4 August 2021, paragraph 14 on Page 31.

The Directors and Substantial Shareholders of the Company are required to disclose their interests in the Shares in accordance with the Securities and Futures Act, Chapter 289 of Singapore and on the forms prescribed by the Monetary Authority of Singapore. These disclosures are available on SGXNet. The Company does not maintain records of the average price as it is not required to collate information on the average price of the aggregate shareholding interests of each of the Directors and Temasek.

- 2. Please clarify why the company cannot set the Rights Issue at a higher price and at a smaller ratio? What is the thinking and logic behind such determination? Please advise if the objective is to suppress the share price to be relatively low? How does another round of Rights Issue protect the interest of the minority Shareholders?**

Please refer to the responses to Questions 1 and 2 in the Company's announcement dated 19 August 2021, which explain the considerations in determining the Rights Issue price, discount and ratio as well as the need for the proposed Rights Issue and its benefits to the Group and all its Shareholders. The size of the Rights Issue is essentially determined by the recapitalisation requirements of the Company and it is priced to encourage subscription by our Shareholders.

- 3. Would all Directors on the Board be subscribing to their entire rights entitlement?**

The Directors who have interests in the Shares have indicated to the Company that they intend to subscribe to their Rights entitlements, in accordance with the terms and conditions of the Rights Issue.

- 4. Could financial help be sought from Temasek instead, in view of their indirect substantial shareholding of 42.6%? Instead of the Rights Issue, why does Temasek not buy over the entire company?**

We are not in a position to comment on behalf of Temasek. Please refer to the responses to Questions 1 and 2 in the Company's announcement dated 19 August 2021, which explain the rationale on why the Group is proposing the Rights Issue.

The proposed Rights Issue, with the undertaking by Startree, an indirect wholly-owned subsidiary of Temasek, and underwriting by DBS, provides certainty to the Company to raise the S\$1.5 billion it critically requires.

5. Are minority Shareholders able to sell back their shares to Startree or Temasek at \$0.08 if there is no upside on the rights price of \$0.08? If so, is there a timeframe that Minority Shareholders can sell back their shares?

If a Compliance Offer is required under Rule 14.1 of the Singapore Code on Take-over and Mergers, as a result of the fulfilment by Startree of its obligations under the Undertaking Agreement, all Shareholders are free to retain or sell at the offer price all or part of their Shares to Temasek at their discretion.

For more information, please refer to the response to Question 6 in the Company's announcement dated 19 August 2021.

Further details will be announced in due course on the results of the Rights Issue and, where applicable, details of and the timetable for a Compliance Offer if it is required to be made.

II. BUSINESS MANAGEMENT AND OUTLOOK

6. **What is the current monthly cash burn rate for the Company? Has the Company embarked on expenses management exercise to reduce cash burn to ensure that the funds raised are used for crucial revenue generating purposes? Has the Company implemented salary and bonus freeze/cuts and Board fee reductions to help conserve cash?**

Is going asset-light part of the Company's strategy going forward? Moving forward what are the plans of the company to right-size?

Please refer to the information on the audited consolidated statements of cash flows of the Group from FY2018 to FY2020 and the unaudited consolidated statement of cash flows of the Group for 1H2021, which can be found in Appendix 3 of the Circular to Shareholders dated 4 August 2021 on Pages 50 to 53.

The ongoing active measures by the Group to reduce the operational cash burn rate, carefully manage working capital and defer all non-essential capital expenditure, include measures to manage staff costs and directors' fees/remuneration. Salary freezes and reductions were implemented for middle and senior management between 2017 and 2021. In 2020, the President & CEO volunteered a 50% pay cut which remains to-date. Since 2016, the Directors have taken a voluntary 10% reduction in Directors' fees and since 2018, the Directors have further volunteered a reduction of their attendance fees which remains to-date. The Group has provided related remuneration updates including salary freezes and reductions, and Board fee reductions in its results announcements and annual reports from 2016 to 2020. Besides these measures, the Group continues to review and right-size its resources in response to the level of activities.

Additionally, the Group has also worked with external consultants to develop a holistic Performance Improvement Plan to drive operational improvements and optimise its cost structure. The PIP will include strategic cost management initiatives, improved project execution and procurement processes, digitisation and overall reduction of overheads, to deliver significant savings and increase the competitiveness and profitability of the Group.

7. **In relation to the recent employee share awards, how many staff received these share based awards?**

Please provide more details and colour regarding the share-based compensation/incentive plans that the Company offers its employees. Are these share awards tied to the Company's financial performance and are these share awards guaranteed regardless of the Company's financial performance? Or are these share awards tied to some other factors? Please elaborate.

What are these share-based staff incentive plans? Are these share options part of an Employee Share Option Plan (ESOP) that allows employees to buy shares at a discount to market price? Are these free shares that the company awards its employees, totally free of charge, and at no cost to the employees? Why is the Company still obliged to reward these staff with share based awards?

Details of the share-based incentive plans for Directors and employees can be found in the Sembcorp Marine 2020 Annual Report on Pages 84 to 89 and Page 165 respectively, as well as the Letter to Shareholders dated 28 April 2020.

Under the SCM PSP 2020, the awards granted conditional on performance targets are set based on medium-term corporate objectives at the start of each rolling three-year performance qualifying period. A specific number of performance shares shall be awarded at the end of the three-year performance cycle depending on the extent of the achievement of the performance conditions established at the onset. Under the RSP, the awards granted conditional on performance targets will be set based on corporate objectives at the start of the one-year performance qualifying period. Previously, the performance criteria for the SCM RSP 2010 were calibrated based on Earnings before Interest and Taxes. SCM RSP 2020 will be calibrated based on Earnings before Interest and Taxes and Return of Capital Employed.

In 2019 and 2020, no awards under the PSP 2020 and RSP 2020 were granted to senior management. For the performance period from 2016 to 2018 (2018: performance period 2015 to 2017), there were no shares released to satisfy awards under the PSP 2010. In 2019, there were 1,470,000 (2018: 1,215,000) awards under the PSP2010 that lapsed for under-achievement of the performance targets for the performance period 2016 to 2018 (2018: 2015 to 2017). From 2011, non-executive directors were not awarded any shares except as part of their directors' fees (Mr Wong Weng Sun, who is the President & CEO, does not receive any directors' fees). The Group provides remuneration updates including share-based incentive plans for the Directors and employees in the Directors' Statement of its annual reports.

As mentioned in the Company's announcement dated 24 June 2021, up to 1,167,017 Awards (which had been granted in previous years and which had vested) may be released on or prior to the Record Date and the Company intends to satisfy the release of the Awards by way of transfer of treasury shares, and no new Shares will be allotted and issued to satisfy the release of these Awards. As announced by the Company on 20 August 2021, 1,154,717 treasury shares were released to satisfy the Awards. Please refer to the response to Question 20 in the Company's announcement dated 19 August 2021, for more details.

8. When will the three major contracts won listed in the 2021 Rights Issue background information start generating positive cash flows for the Company?

The Group has a total of 16 projects under execution with five scheduled for completion in 2021 and another nine in 2022. The remaining two will progressively be completed by 2025. As the Group executes, completes and delivers the projects, it expects to collect progressive payments over the next 6 to 18 months. In general, the Group's trade and other receivables decrease as receipts from customers are obtained for completed projects.

For the Hornsea Two Offshore Wind Farm project, the Group has successfully completed the Offshore Substation (OSS) and Reactive Compensation Station (RCS) (collectively, "Substations") to Ørsted Wind Power subsidiary Optimus Wind Limited. The OSS, the largest AC offshore substation, and the RCS have set sail from Sembcorp Marine Admiralty Yard on 15 August 2021 for the Hornsea Two Offshore Wind Farm, located in the North Sea. In addition to fabrication, Sembcorp Marine spearheaded the engineering, procurement, hook-up and commissioning works for the Substations. The Substations are expected to reach their destination at end-September 2021 for integration with their jackets.

The fabrication of 15 wind turbine jacket foundations for the Jan De Nul Formosa 2 Offshore Wind Farm Project is expected to be completed in the second half of 2021.

The RWE Renewables' Sofia Offshore Wind Farm Project, involving the design, construction and installation of the Offshore Converter Platform, the most remote of its kind, for the wind farm located 220km from the nearest shore on Dogger Bank in the UK North Sea, is scheduled for completion in 2025.

9. What percentage of the Company's contracts/projects are under the engineering, procurement and construction (EPC) model and what are these projects?

The majority of the Group's S\$1.78 billion net order book as at 30 June 2021 are under the EPC model. They include:

- Ørsted Hornsea 2 Offshore Wind Farm Project – Engineering, procurement, construction, integration, onshore commissioning, sea-fastening, loadout and offshore hook-up and commissioning of the OSS and the RCS (see response to Question 8);
- Sofia Offshore Wind Farm Project – Design, construction, installation and commissioning of the Offshore Converter Platform (OCP);
- Equinor Johan Castberg FPSO – Turnkey engineering, procurement and construction of newbuild FPSO hull and living quarters;
- Technip Energies Karish FPSO – EPC construction and integration of a newbuild FPSO hull, living quarters and topside modules, including owner-furnished equipment;
- Shell Vito FPU – Construction and integration of hull, topsides and living quarters for Shell's Vito semi-submersible FPU, including installation of owner-furnished equipment;
- Shell Whale FPU – Construction and integration of hull, topsides and living quarters for Shell's Whale semi-submersible FPU, including installation of owner-furnished equipment;
- National Oil Company Gallaf Batch 2 Wellhead Platforms – Engineering, procurement, construction, installation and commissioning of jackets, topsides, bridges and offshore integration of two wellhead platforms and bridges;
- MOL LNG Bunker Vessel Newbuild – Design and construction of 12,000 cbm dual-fuel LNG bunker vessel with GTT Mark III Flex membrane tank system;
- Norled Roll-on/Roll-off Passenger Ferries (ROPAX) Ferries Project – Design and construction of three full battery-operating ROPAX ferries based on a proprietary design by Sembcorp Marine's wholly-owned subsidiary LMG Marin; and
- Transocean Drillships – Construction of two high-specification ultra-deepwater drillships for Transocean based on Sembcorp Marine's proprietary Jurong Espadon 3T drillship design.

10. Can Sembcorp Marine recover in two years from the current low share price?

We are not able to comment on the share price as it is market driven. The proposed Rights Issue, together with active measures to reduce overheads, optimise cost structure and drive operational improvements, will better position the Group to ride through the current challenging business environment and accelerate its strategic transition towards the high-growth renewable and clean energy segment. We hope that this will translate to improved financial performance, sustainable business growth and long-term value for shareholders.

11. On the Potential Combination with Keppel O&M, does Sembcorp Marine have any intention of letting go your rigs to Asset Co, something which Keppel will be doing for its rigs?

Does SembMarine view its rigs as legacy assets or will the rigs component of the business continue to be a key part of the company?

The Group would like to emphasise that discussions between parties on the Potential Combination are currently at a preliminary stage with no certainty that the Potential Combination will take place. The Potential Combination is subject to among others, satisfactory due diligence, further negotiations between parties, execution of definitive agreements, receipt of the relevant regulatory approvals and the approval of Shareholders (if and where required) of the respective parties.

Notwithstanding the ongoing developments in energy transition, the Group will continue to support the existing global energy needs premised on a lower carbon footprint. There are increasing opportunities to provide sustainable solutions for the oil and gas exploration and production sector, with potential demand in the industry for next-generation drilling rigs and floaters differentiated by greater energy efficiency, lower emissions and greener features.



TS TAY Public Accounting Corporation

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SEMBCORP MARINE LTD
Company Registration No. 196300098Z

Extraordinary General Meeting
Held on 23 August 2021

To: The Chairman
SEMBCORP MARINE LTD

Dear Sirs,

As Scrutineers appointed for the purpose of the poll taken at the Extraordinary General Meeting of the Company, we certify that the results of the poll in respect of:-

SUMMARY RESULTS OF POLL

No	Resolutions	Total number of shares represented by votes for and against the resolution	FOR		AGAINST		ABSTAIN
			No. of shares	Percentage of total number of votes for the resolution (%)	No. of shares	Percentage of total number of votes against the resolution (%)	No. of shares
1	To approve the Rights Issue	6,578,640,522	6,450,646,240	98.05%	127,994,282	1.95%	20,782,954

Yours faithfully,

Signed
Scrutineer - T S Tay Public Accounting Corporation