



Integrated Synergies, Global Possibilities.

Positioning for Growth in Unprecedented Times

Extraordinary General Meeting – 23 August 2021, 2.00 p.m.

Proposed S\$1.5 billion Renounceable Underwritten Rights Issue

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The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement presentation, and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement presentation 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 presentation misleading. Where information in this announcement presentation 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 announcement presentation in its proper form and context.

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Recent Challenges and Actions Taken

Unexpected & Protracted COVID-19 Disruptions



Acute manpower shortages caused by border controls and attrition to competing industries



Procured alternative sources for skilled workers resulting in significant increase in manpower and other related costs



Pandemic-led supply chain constraints



Diversified procurement with resultant cost increase and impact on execution and completion



Delays in project progress and completion



Ongoing coordination with customers to re-schedule projects. Deferment in payments and reduction in revenue receipts

Above measures serve to achieve the following:

- Minimise further delays in project completions and mitigate risk of project cancellations
- No cancellation to-date of any of the Group's existing projects
- Completion of existing projects frees up resources to take on more new projects
- Actively tendering for more than 10 "green" projects, including in Renewable Energy and Gas Solutions as well as actively working on multiple projects and tenders in progress for Process Solutions segment

1 Near-term liquidity position affected by higher negative operating cash flows resulting from:

- Delays in revenue recognition and deferred payment terms
- Additional manpower and other costs (cost provisions of S\$361 million⁽¹⁾ in 1H2021 results)

2 Given the challenging business environment, the Group:

- Faces increasing challenges in refinancing its existing maturing debt
- Expects an increasing need to repay more debt upon maturity over the next 18 months

3 Liquidity management initiatives include:

- Reduce monthly operational cash burn rate
- Defer all non-essential capital expenditure
- Engage external consultants to develop a Performance Improvement Plan to drive operational improvements and optimise cost structure

4 Operational funding requirements:

- Of the S\$0.6 billion net cash proceeds from the 2020 Rights Issue
 - Approximately S\$0.43 billion has been used for working capital purposes
 - Balance of approximately S\$0.16 billion is insufficient as impact of the COVID-19 pandemic and industry downturn has been more protracted than originally anticipated

Proposed S\$1.5 billion Rights Issue is critically required to meet immediate funding needs to address temporary working capital depletion and to accelerate strategic expansion into the high-growth clean and renewable energy solutions

Note:

1) Provisions for 1H2021 totaled S\$472 million (post-tax basis) including S\$361 million provisions for additional labour and other costs to be incurred over the next 6-18 months to complete projects



A global player providing innovative engineering solutions for the Offshore, Marine and Energy industries, with an increasing focus on renewable and energy solutions

Transformation and Strategic Thrusts

Proactive diversification and expansion in new and existing markets

Strategic strengthening of yard capabilities

Innovation development through investments in intellectual property, technology and solutions that provide a differentiated edge

Our Sustainable Product Solutions



Wind Farm Solutions / Wind Turbine Installation Vessels



Small Waterplane Area Cylindrical Hull (SWACH) Solutions



Zero-emission Battery-powered/ Hydrogen Fuel Cell Powered Vessels



LNG-Battery Hybrid Tugs



Gravifloat LNG Terminals

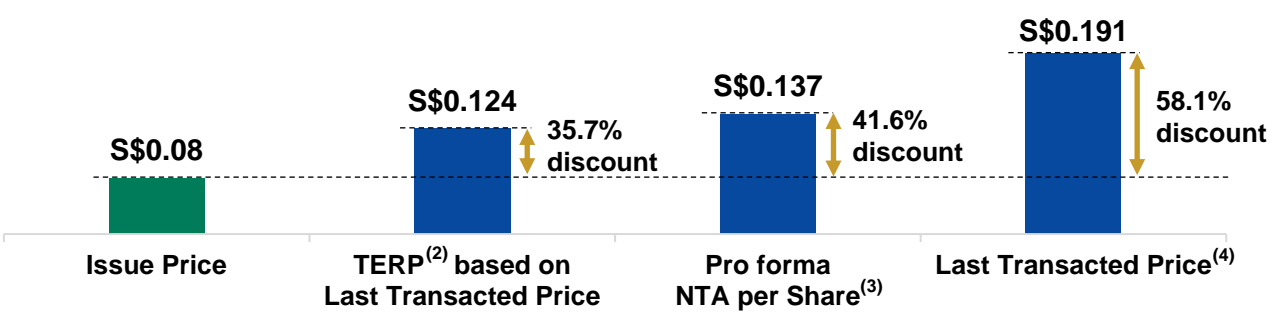

Sembcorp Marine is at the centre of the global energy transition towards a low-carbon economy



Proposed Renounceable Underwritten Rights Issue

Transaction Overview

Key Terms of Renounceable Underwritten Rights Issue

Rights Ratio	3 Rights Shares for every 2 existing Shares held ⁽¹⁾
Gross Proceeds	Approximately S\$1.5 billion
Issue Price	S\$0.08 per Rights Share
Pricing Considerations	 <p>The chart illustrates the pricing considerations for the Rights Issue. It shows four price points relative to a dashed horizontal line representing the Last Transacted Price (S\$0.191). The Issue Price is S\$0.08. The TERP based on the Last Transacted Price is S\$0.124, representing a 35.7% discount. The Pro forma NTA per Share is S\$0.137, representing a 41.6% discount. The Last Transacted Price itself is S\$0.191, representing a 58.1% discount from the implied value of S\$0.45 (calculated as S\$0.191 / 0.426).</p>
Use of Proceeds	Working capital and general corporate purposes, including debt servicing
Undertaking and Underwriting	<ul style="list-style-type: none"> Startree Investments Pte. Ltd., an indirect wholly-owned subsidiary of Temasek, has irrevocably undertaken to subscribe for its <i>pro rata</i> entitlement of 42.6% and excess rights such that its total subscription will be up to 67.0% of the Rights Issue DBS to underwrite the remaining 33.0% of the Rights Issue Provides certainty of raising the full S\$1.5 billion contemplated from the Rights Issue
Sole Financial Adviser, Manager and Underwriter	

Notes:

- Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded
- Theoretical Ex Rights Price
- Net Tangible Assts (NTA) per Share = (Equity attributable to owners – Intangible assets) / Number of Shares outstanding (excluding treasury shares). The *pro forma* NTA per Share after the Rights Issue is for illustrative purposes only, based on the unaudited consolidated financial statements of SCM for 1H2021 and assumed that the Rights Shares had been allotted and issued on 30 June 2021
- Last transacted price of S\$0.191 per Share on 23 June 2021, being the Last Trading Day prior to the announcement of the Rights Issue on 24 June 2021



Address Immediate Liquidity Needs and Strengthen Financial Position

Fulfil Existing Project Commitments and Win New Projects

Augment Technological Capabilities and Maintain Competitive Edge

Accelerate Strategic Expansion into High-Growth Clean and Renewable Energy Segments

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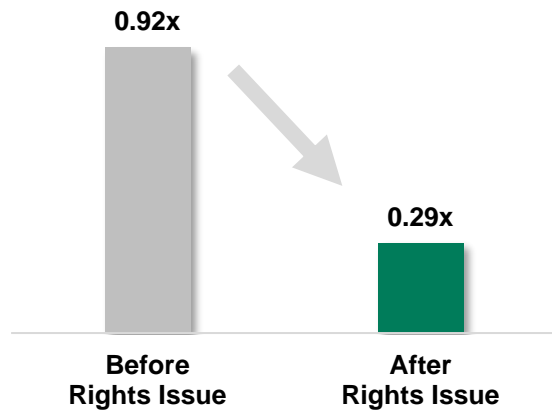
Augment Technological Capabilities and Maintain Competitive Edge

Accelerate Strategic Expansion into High-Growth Clean and Renewable Energy Segments

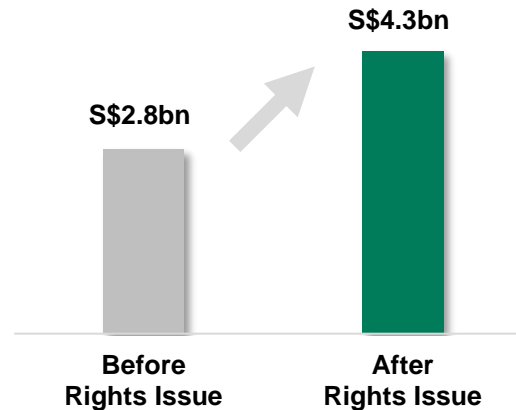
Ensuring Sufficient Liquidity for Near-Term Working Capital Needs to Ride Out Prolonged Downturn and Continuing COVID-19 Disruptions

- 1 Strengthens financial position
- 2 Meets projected operational funding needs through to end 2022
- 3 Replenishes temporary working capital depletion
- 4 Reinforces lenders' and customers' confidence

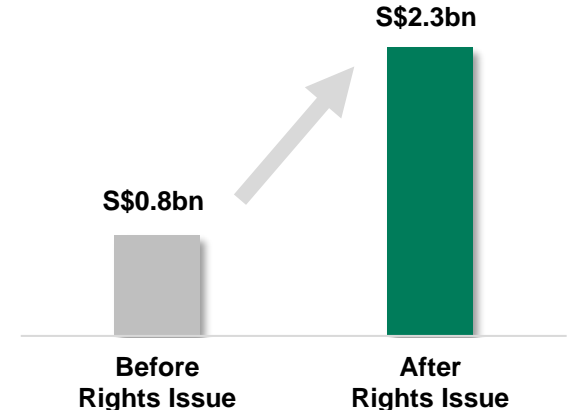
Pro Forma Net Gearing⁽¹⁾⁽²⁾
30 Jun 2021



Pro Forma NTA⁽¹⁾⁽³⁾
30 Jun 2021



Pro Forma Cash Balance⁽¹⁾
30 Jun 2021



Notes:
 1) Assume that the Rights Shares had been allotted and issued on 30 June 2021 in calculating the pro forma financial effects on NTA, net gearing and cash balance
 2) Net Gearing = (Gross Borrowings – Cash) / Total Equity
 3) Net Tangible Assets (NTA) = Equity attributable to owners - Intangible assets

Address Immediate Liquidity Needs and Strengthen Financial Position


Fulfil Existing Project Commitments and Win New Projects


Augment Technological Capabilities and Maintain Competitive Edge

Accelerate Strategic Expansion into High-Growth Clean and Renewable Energy Segments

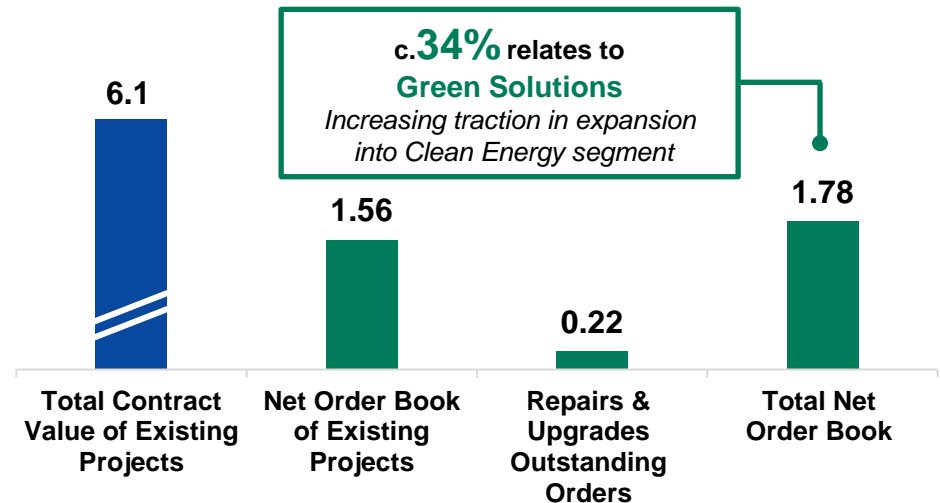
Position the Company for High-Value and Large-Scale Projects to Ensure Long-Term Viability

 **S\$1.78 billion** net order book

 Actively tendering for projects in Renewable Energy, Gas Solutions and Process Solutions segments

 Actively pursuing more orders for Repairs and Upgrades business

Total Contract Values as at 30 June 2021 (S\$ billion)



Renewables Energy Solutions



Gas Value Chain Solutions



Process Solutions



Ocean Living Solutions



Advanced Drilling Rig Solutions

Address Immediate Liquidity Needs and Strengthen Financial Position

Fulfil Existing Project Commitments and Win New Projects

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Accelerate Strategic Expansion into High-Growth Clean and Renewable Energy Segments

Enhance Strategic Capabilities and R&D to Maintain Competitive Edge

Strategic acquisition of intellectual property, technologies and engineering talent



Design and build three **zero-emission battery-powered roll-on/roll-off passenger (Ropax)** ships for Norwegian ferry operator Norled



Floating offshore foundation based on SWACH design to house largest wind turbines and offer excellent motion characteristics in harsh conditions

Investments in R&D and disruptive technologies



Flagship Integrated Tuas Boulevard Yard: 30,000 tonne cranes capable of mega-block integration to help fulfil business objectives of safety, quality, time and cost



Developing and adopting Industry 4.0-related technologies such as **3D printing** and **integrated digital robotic systems**

Industry collaboration to tap best-in-class capabilities



Development of Maritime Hydrogen Fuel Cell
Partners: Equinor, Toyota, Wilhelmsen, NCE Maritime Cleantech, Norled, University of South-Eastern Norway and Corvus Energy



Joint Lab@TBY, Digital Design and Advanced Manufacturing
Partner: A*STAR



Project: Carbon Capture & Storage
Partners: Gassnova, The Research Council of Norway, DNV GL, Moss Maritime, Altera Infrastructure and TGE Marine Gas Engineering

Address Immediate Liquidity Needs and Strengthen Financial Position

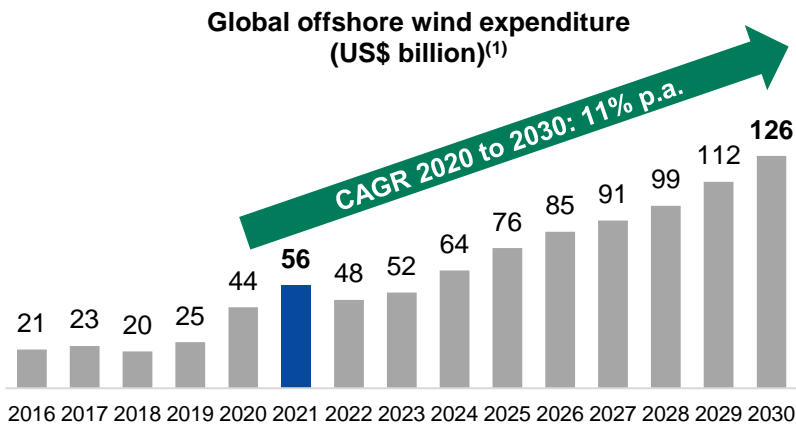
Fulfil Existing Project Commitments and Win New Projects

Augment Technological Capabilities and Maintain Competitive Edge

Accelerate Strategic Expansion into High-Growth Clean and Renewable Energy Segments

Greater Capability to Fund Growth and Strategic Expansion into Renewable Energy Sectors

Offshore Wind Segment



Sofia Offshore Wind Farm

In March 2021, secured a S\$1.12 billion contract jointly with GE Renewable from RWE Renewables for the 1.4 GW Sofia Offshore Wind Farm

Other Renewable and Clean Energy Solutions

- Strategic expansion towards cleaner and greener energy
- Further diversify business portfolio to extend into new areas of renewable energy, electrification, gas value chain, ocean living, as well as carbon capture and storage solutions
- Well-positioned for global transition to a low-carbon economy



Zero-emission Battery-powered/ Hydrogen Fuel Cell Powered Vessels



LNG-Battery Hybrid Tugs



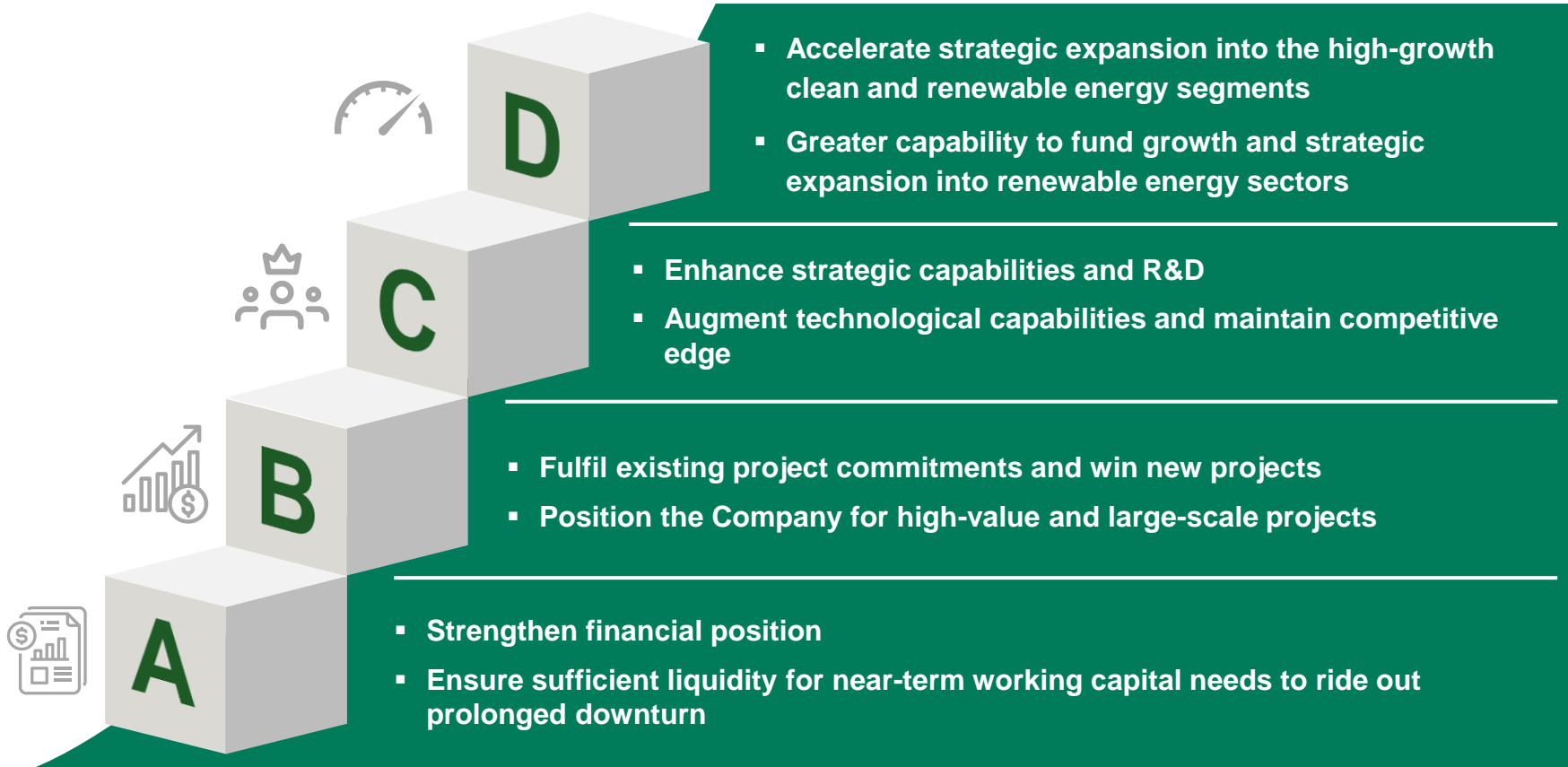
Gravifloat LNG Terminals

Source:
(1) Rystad Energy publication dated 29 April 2021

Summary of Benefits to Shareholders



A Global Player Providing Innovative Engineering Solutions for the Offshore, Marine and Energy industries, with an increasing focus on clean and renewable energy solutions





EGM

Shareholders Approval

Ordinary Resolution to Approve Rights Issue



**Simple majority
(> 50%) required**



**Startree⁽²⁾ has provided
undertaking to vote in
favour of the Resolution**

Important Dates and Times for Shareholders

20 August 2021,
2.00 p.m.

Last date and time for lodgement of Proxy Forms⁽¹⁾

- Please refer to the Circular to Shareholders dated 4 August 2021 for further instructions on submission of Proxy Form

**23 August 2021,
2.00 p.m.**

Extraordinary General Meeting

- The EGM will be conducted via a **“live” webcast and “live” audio-only stream**. Shareholders who wish to watch the “live” webcast or listen to the “live” audio-only stream must pre-register by **2.00 p.m. on 20 August 2021**, at the URL <https://sembmarine-egm2021.listedcompany.com/registration>

- To exercise voting rights, all Shareholders must submit a Proxy Form and appoint the Chairman of the EGM to vote on such Shareholder’s behalf.**

The Proxy Form may be accessed at the Company’s website at the URL: <https://www.sembmarine.com/extraordinary-general-meeting> and is also available on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements>

24 August 2021

Expected last day of “cum-rights” trading of Shares

25 August 2021

Expected first day of “ex-rights” trading of Shares

26 August 2021

Expected Record Date for Rights Issue

22 September 2021

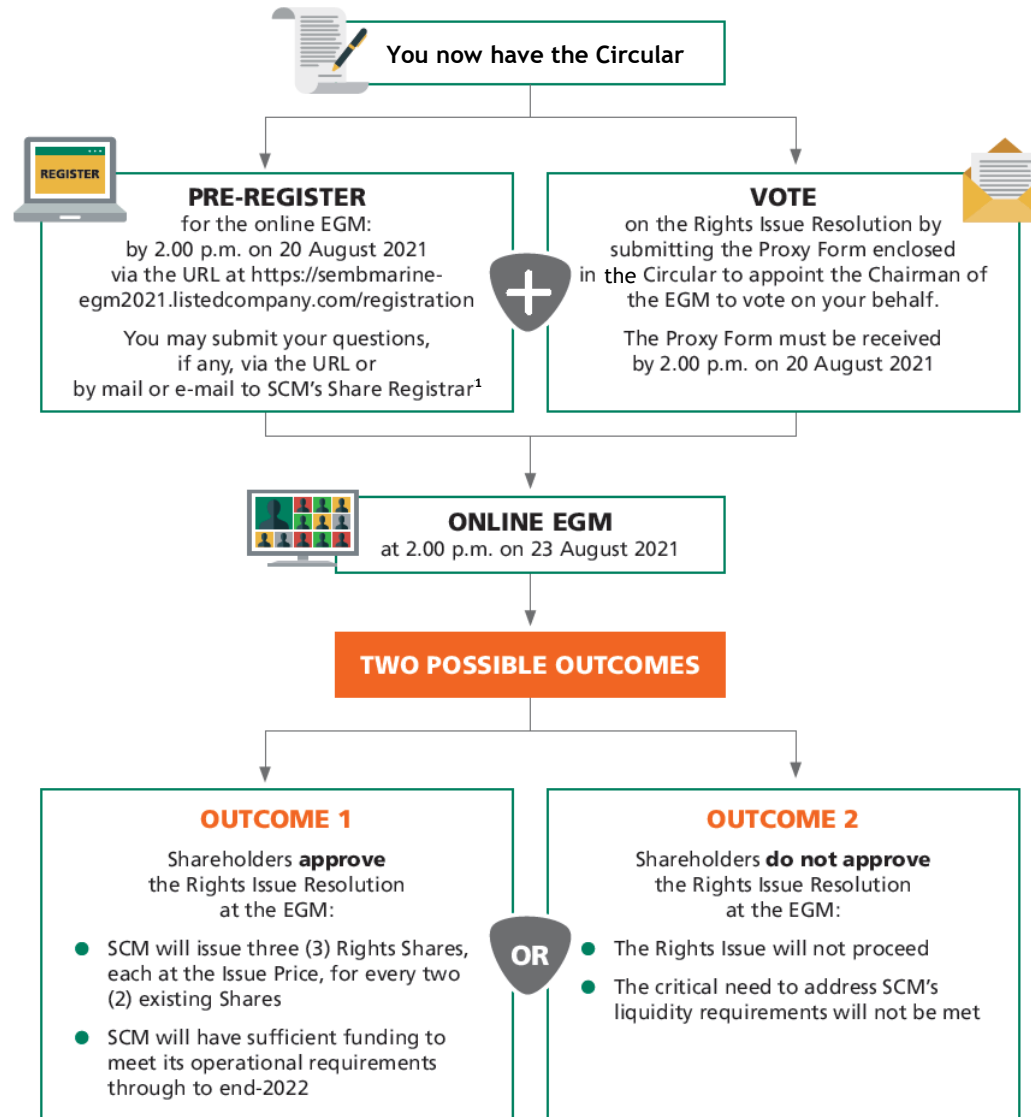
Listing and Trading of new Rights Shares⁽³⁾

The above timeline is indicative only and may be subject to change, actual dates of the above events will be notified in due course by way of an announcement on the SGX-ST

Note:

- CPFIS Members or SRS Investors who wish to appoint the Chairman of the EGM as proxy should approach their respective approved CPF agent banks or SRS Approved Banks to submit their votes by 5.00 p.m. on 11 August 2021
- Startree Investments Pte. Ltd., an indirect wholly-owned subsidiary of Temasek
- The fulfilment by Startree of its obligations under the Undertaking Agreement may result in the Temasek Concert Party Group incurring an obligation to make a mandatory general offer (the “Compliance Offer”) for the remaining Shares, in compliance with Rule 14 of the Singapore Code on Take-overs and Mergers. If the Compliance Offer is required to be made, (a) based on information available to Temasek as at the date of the announcement of the Rights Issue, the offer price the Temasek Concert Party Group will be obliged to offer will be the Issue Price; and (b) Temasek’s current intention is to maintain the listing status of the Company, but it reserves the right to re-evaluate its position

What Do I Need to Do?



Note:

(1) KCK CorpServe Pte. Ltd. at 333 North Bridge Road, #08-00, KH KEA Building, Singapore 188721 or sembmarine-egm@kckcs.com.sg

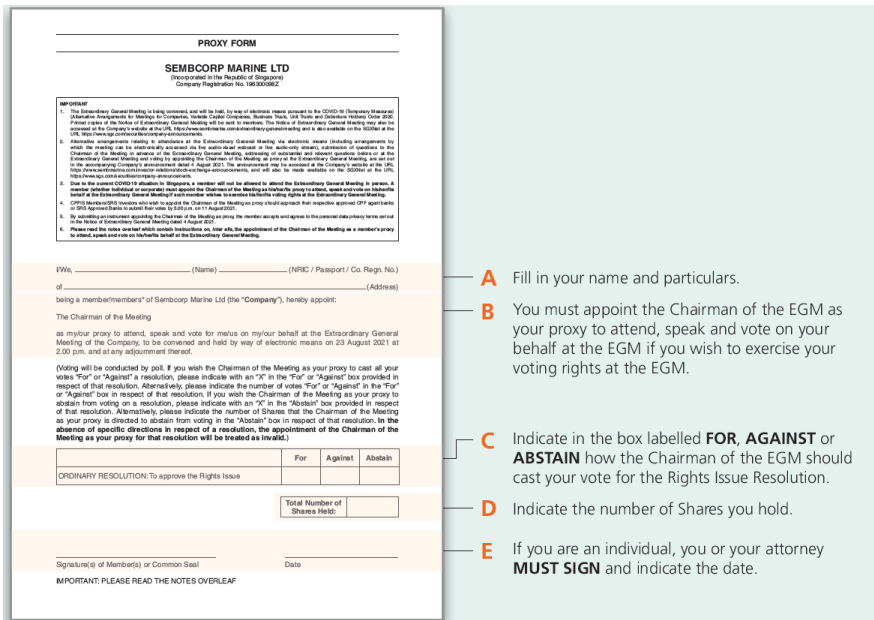
How Can I Vote on the Rights Issue Resolution?

To exercise your votes, you must submit a Proxy Form and appoint the Chairman of the EGM to vote on your behalf.

Step 1 Locate the Proxy Form

The Proxy Form is enclosed in the Circular and may be accessed at the Company's website at the URL <https://www.sebmarine.com/extraordinary-general-meeting> and is also available on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>

Step 2 Complete the Proxy Form



PROXY FORM
SEBPCORP MARINE LTD
(Incorporated in the Republic of Singapore)
Company Registration No. 198300022

INFORMATION

- The Extraordinary General Meeting is being convened and will be held by way of electronic means pursuant to the COVID-19 Company Meeting Procedures and Guidelines for Virtual or Corporate, Hybrid, Closed Circulation, Electronic, Proxy, and Other Shareholder Meetings. Your consent to attend at the Meeting of the Extraordinary General Meeting will be used to convene the Meeting of the Extraordinary General Meeting and to proceed with the business of the Extraordinary General Meeting. The Notice of Extraordinary General Meeting and the Proxy Form are available at the URL <https://www.sebmarine.com/extraordinary-general-meeting> and is also available on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.
- Alternative arrangements relating to attendance at the Extraordinary General Meeting via electronic means (including arrangements by which the meeting can be conducted via electronic means) shall be subject to the electronic means, attendance of quorum at the Extraordinary General Meeting, in relation to the Extraordinary General Meeting, obtaining of sufficient valid consent (based on the Chairman of the Meeting or members of the Extraordinary General Meeting, obtaining of sufficient valid consent (based on the Chairman of the Meeting or members of the Extraordinary General Meeting) and votes by appointing the Chairman of the Meeting as proxy of the Extraordinary General Meeting, are set out in the accompanying Circular and are available at the URL <https://www.sebmarine.com/extraordinary-general-meeting> and is also available on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.
- Due to the current COVID-19 situation in Singapore, a member will not be allowed to attend the Extraordinary General Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as proxy to attend, speak and vote on behalf of the member at the Extraordinary General Meeting and must indicate the number of Shares held by the member in the Proxy Form.
- CPFIS Members or SRS Investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective approved CPF agent banks or SRS Approved Banks to submit their votes by 5.00 p.m. on 11 August 2021.
- If you are a member of the Company, you must indicate the number of Shares you wish to appoint the Chairman of the Meeting as proxy to attend, speak and vote on behalf of the member at the Extraordinary General Meeting on 23 August 2021.
- Please note the time and date when instructions to attend, speak and vote on behalf of the member at the Extraordinary General Meeting will be used to convene the Meeting of the Extraordinary General Meeting.

I/We, _____ (Name) _____ (NRIC / Passport / Co. Regn. No.)
of _____ (Address)
being a member/member(s) of Sembcorp Marine Ltd (the "Company"), hereby appoint:

The Chairman of the Meeting
as my/our proxy to attend, speak and vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company, to be convened and held by way of electronic means on 23 August 2021 at 2.00 p.m. and at any adjournment thereof.

(Voting will be conducted by poll. If you wish the Chairman of the Meeting as your proxy to cast all your votes "For" or "Against" a resolution, please indicate with an "X" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box in respect of that resolution. If you wish the Chairman of the Meeting as your proxy to abstain from voting on a resolution, please indicate with an "X" in the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of Shares that the Chairman of the Meeting as your proxy is directed to abstain from voting in the "Abstain" box in respect of that resolution. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Meeting as your proxy for that resolution will be treated as invalid.)

	For	Against	Abstain
ORDINARY RESOLUTION: To approve the Rights Issue			

Total Number of Shares Held: _____

Signature(s) of Member(s) or Common Seal _____ Date _____

IMPORTANT: PLEASE READ THE NOTES OVERLEAF

- A** Fill in your name and particulars.
- B** You must appoint the Chairman of the EGM as your proxy to attend, speak and vote on your behalf at the EGM if you wish to exercise your voting rights at the EGM.
- C** Indicate in the box labelled **FOR**, **AGAINST** or **ABSTAIN** how the Chairman of the EGM should cast your vote for the Rights Issue Resolution.
- D** Indicate the number of Shares you hold.
- E** If you are an individual, you or your attorney **MUST SIGN** and indicate the date.

Step 3 Submit Completed Proxy Form



If submitted by post, the Proxy Form must be lodged at the office of the Company's Share Registrar, **KCK CorpServe Pte. Ltd. at 333 North Bridge Road, #08-00, KH KEA Building, Singapore 188721**



If submitted electronically, the Proxy Form must be sent via email to the Company's Share Registrar at **sembmarine-egm@kckcs.com.sg**

- The Proxy Form must reach the Company's Share Registrar by 2.00 p.m. on 20 August 2021, being 72 hours before the time appointed for the EGM
- CPFIS Members or SRS Investors who wish to appoint the Chairman of the EGM as proxy should approach their respective approved CPF agent banks or SRS Approved Banks to submit their votes by 5.00 p.m. on 11 Aug 2021

YOUR VOTE COUNTS

Please vote by submitting your Proxy Form, to be received by 2.00 p.m. on 20 August 2021

Your support will enable the Company to

Address Immediate Liquidity Needs and
Strengthen Financial Position

Fulfil Existing Project Commitments and
Win New Projects

Augment Technological Capabilities and
Maintain Competitive Edge

Accelerate Strategic Expansion into
High-Growth Clean and
Renewable Energy Segments

Please appoint the Chairman of the EGM to vote on your behalf. Thank you

WHO CAN I CONTACT FOR ASSISTANCE?

You may get in touch with us at:

Tel: +65 6878 1456

(From 9.00 a.m. to 6.00 p.m., Monday to Friday)



**sembcorp
marine**

Integrated Synergies, Global Possibilities.