



Company Registration Number: 196300098Z

RESPONSE TO SGX-ST QUERY

Singapore, 12 April 2021 – Sembcorp Marine Ltd (the “**Company**”) refers to the following query raised by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 8 April 2021 in relation to the Company’s annual report for the financial year ended 31 December 2020 (the “**Annual Report**”):

SGX-ST Query

Listing Rule 1207(20) provides, inter alia, that where proceeds are used for general working capital purposes, the issuer must announce a breakdown with specific details on the use of proceeds for working capital.

We note that the Company has disclosed on page 9 of the Annual Report that “[of] the \$0.60 billion net proceeds from the Rights Issue, approximately \$0.10 billion has been used for working capital purposes as at the end of FY2020”.

Please provide a breakdown of the use of proceeds for working capital purposes.

The Company’s Response

The breakdown of the use of S\$0.10 billion proceeds from the Rights Issue that was used for working capital purposes is as follows:

<u>Description</u>	<u>Amount</u>
Costs and expenses incurred to execute customers’ contracts:	
- Payment for materials and equipment	S\$69 million
- Payment for subcontractors’ labour services	S\$26 million
Sub-total	<u>S\$95 million</u>
Operating expenses:	
- Payment for employees’ payroll expenses	<u>S\$5 million</u>
Total payment for working capital purposes	<u>S\$100 million</u>