

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

**MINUTES OF THE 58<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY HELD BY WAY OF ELECTRONIC MEANS ON FRIDAY, 23 APRIL 2021 AT 11.00 AM**

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**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 (“WWS”) : Director  
Mr Eric Ang Teik Lim (“EA”) : Director  
Mr Bob Tan Beng Hai : Director (attended via video conference)  
Mrs Gina Lee-Wan : Director (attended via video conference)  
Mr William Tan Seng Koon : Director (attended via video conference)  
Mrs Gina Lee-Wan : Director (attended via video conference)  
Mr Patrick Daniel : Director (attended via video conference)  
Mr Tan Wah Yeow : Director (attended via video conference)  
Mr Koh Chiap Khiong : Director (attended via video conference)

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)  
Ms Ang Fung Fung : Audit Partner, KPMG LLP (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 58<sup>th</sup> Annual General Meeting of the Company (the “AGM”) by webcast and audio means. She introduced the directors and also informed the shareholders that representatives from the Company’s auditors and legal advisers had also joined the AGM via webcast.

**2 QUESTIONS SUBMITTED BY SHAREHOLDERS**

2.1 A copy of the Company’s responses to the substantial and relevant questions submitted by shareholders in advance of the AGM (attached hereto as Appendix 1) was posted on SGXNet as well as the Company’s website on 22 April 2021 (one day prior to the AGM).

### **3 PRESENTATION BY PRESIDENT AND CEO**

- 3.1 WWS gave an overview of the Company's businesses and business outlook. A copy of his presentation (attached hereto as Appendix 2) was posted on SGXNet on the same day after the AGM.

### **4 CHAIRMAN'S GREETING**

- 4.1 The Chairman welcomed shareholders who attended the virtual AGM by webcast and audio means.

### **5 QUORUM**

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

### **6 NOTICE OF MEETING**

- 6.1 The Chairman took the notice of the AGM dated 31 March 2021, which was sent together with the letter to shareholders dated 31 March 2021 (the "LTS") to shareholders by electronic means via publication on the Company's website, as read.

### **7 PROXY AND POLLING**

- 7.1 The Chairman informed that due to the current Covid-19 situation in Singapore, shareholders were not able to attend the AGM 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 their specific instructions on each resolution.
- 7.2 The Chairman informed that the Company had appointed T S Tay Public Accounting Corporation as the scrutineer for the vote taking.

### **8 RESOLUTION 1 – ADOPTION OF DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS**

- 8.1 The Chairman proposed:

"That the directors' statement and the audited financial statements for the year ended 31 December 2020 and the auditors' report thereon be and are hereby received and adopted."

- 8.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the poll results attached hereto as "Appendix 3" (the "Poll Results").

### **9 RESOLUTION 2 - RE-ELECTION OF TAN SRI MOHD HASSAN MARICAN**

- 9.1 The Chairman handed over the chair for this agenda item to EA as this item dealt with the Chairman's own re-election.

9.2 EA proposed:

“That Tan Sri Mohd Hassan Marican, a director retiring under Article 94 of the Company’s Constitution, be and is hereby re-elected as a director of the Company.”

9.3 EA put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

9.4 EA returned the chair to the Chairman after conducting the proceedings for the agenda item on Resolution 2.

**10 RESOLUTION 3 – RE-ELECTION OF MR BOB TAN BENG HAI AS DIRECTOR**

10.1 The Chairman proposed:

“That Mr Bob Tan Beng Hai, a director retiring under Article 94 of the Company’s Constitution, be and is hereby re-elected as a director of the Company.”

10.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

**11 RESOLUTION 4 – RE-ELECTION OF MR WILLIAM TAN SENG KOON AS DIRECTOR**

11.1 The Chairman proposed:

“That Mr William Tan Seng Koon, a director retiring under Article 94 of the Company’s Constitution, be and is hereby re-elected as a director of the Company.”

11.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

**12 RESOLUTION 5 – APPROVAL OF DIRECTORS’ FEES**

12.1 The Chairman informed that the directors had recommended the payment of a sum of up to S\$1,800,000 as directors’ fees for the year ending 31 December 2021. All directors and their associates were required to abstain from voting in respect of their shares on this motion.

12.2 The Chairman proposed:

“That the directors’ fees of up to S\$1,800,000 for the year ending 31 December 2021 be approved.”

12.3 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

### **13 RESOLUTION 6 – RE-APPOINTMENT OF AUDITORS**

13.1 The Chairman informed that the Audit Committee had recommended the re-appointment of KPMG LLP as the auditors of the Company.

13.2 The Chairman proposed:

“That KPMG LLP be re-appointed as auditors of the Company to hold office until the next Annual General Meeting of the Company and that the directors of the Company be authorised to fix their remuneration.”

13.3 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

### **14 RESOLUTION 7 – RENEWAL OF SHARE ISSUE MANDATE**

14.1 The Chairman proposed the following ordinary resolution:

“That authority be and is hereby given to the directors to:

- (a) (i) issue shares of the Company (“shares”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the directors may, in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any instrument made or granted by the directors while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 5% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with paragraph (2) below);

- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (the “SGX-ST”)) for the purpose of determining the aggregate number of shares that may be issued under paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
- (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and
  - (ii) any subsequent bonus issue or consolidation or subdivision of shares;
- and, in paragraph (1) above and this paragraph (2), “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.”

14.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

## **15 RESOLUTION 8 – RENEWAL OF SHARE PLAN MANDATE**

15.1 The Chairman proposed the following ordinary resolution:

“That approval be and is hereby given to the directors to:

- (a) grant awards in accordance with the provisions of the Sembcorp Marine Performance Share Plan 2020 (the “SCM PSP 2020”) and/or the Sembcorp Marine Restricted Share Plan 2020 (the “SCM RSP 2020”) (the SCM PSP 2020 and the SCM RSP 2020, together the “Share Plans”); and
- (b) allot and issue from time to time such number of fully paid-up ordinary shares of the Company as may be required to be delivered pursuant to the vesting of awards under the Share Plans,

provided that:

- (1) the aggregate number of (i) new ordinary shares allotted and issued and/or to be allotted and issued, (ii) existing ordinary shares (including shares held in treasury) delivered and/or to be delivered, and (iii) ordinary shares released and/or to be released in the form of cash in lieu of ordinary shares, pursuant to the Share Plans, shall not exceed 5% of the total number of issued ordinary shares of the Company (excluding treasury shares and subsidiary holdings) from time to time; and
- (2) the aggregate number of ordinary shares under awards to be granted pursuant to the Share Plans during the period commencing from this Annual General Meeting and ending on the date of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, shall not exceed 0.5% of the total number of issued ordinary shares of the Company (excluding treasury shares and subsidiary holdings) from time to time,

and in this Resolution, “subsidiary holdings” has the meaning given to it in the Listing Manual of the Singapore Exchange Securities Trading Limited.”

- 15.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

## **16 RESOLUTION 9 – RENEWAL OF INTERESTED PERSON TRANSACTIONS MANDATE**

- 16.1 The Chairman proposed the following ordinary resolution:

“That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual (“Chapter 9”) of the Singapore Exchange Securities Trading Limited, for the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9), or any of them, to enter into any of the transactions falling within the types of interested person transactions described in the Appendix to the Company’s Letter to Shareholders dated 31 March 2021 (the “Letter”) with any party who is of the class of interested persons described in the Appendix to the Letter, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions;
- (b) the approval given in paragraph (a) above (the “IPT Mandate”) shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and
- (c) the directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the IPT Mandate and/or this Resolution.”

16.2 The Chairman informed that each director of the Company, Temasek Holdings (Private) Limited and their respective associates were required to abstain from voting in respect of their shares on this motion.

16.3 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

## **17 RESOLUTION 10 – RENEWAL OF SHARE PURCHASE MANDATE**

17.1 The Chairman proposed the following ordinary resolution:

“That:

(a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 (the “Companies Act”), the exercise by the directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares of the Company (“Shares”) not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchase(s) on the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and/or any other securities exchange on which the Shares may for the time being be listed and quoted (“Other Exchange”); and/or

(ii) off-market purchase(s) (if effected otherwise than on the SGX-ST or, as the case may be, the Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST or, as the case may be, Other Exchange, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “Share Purchase Mandate”);

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the directors pursuant to the Share Purchase Mandate may be exercised by the directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next Annual General Meeting of the Company is held;

(ii) the date by which the next Annual General Meeting of the Company is required by law to be held; and

(iii) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

(c) in this Resolution:

“Average Closing Price” means the average of the last dealt prices of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST or, as the case may be, the Other Exchange, immediately preceding the date of the market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs during the relevant five-day period and the date of the market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase;

“date of the making of the offer” means the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the off-market purchase;

“Maximum Limit” means that number of issued Shares representing 2% of the total number of issued Shares as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST)); and

“Maximum Price”, in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed, whether pursuant to a market purchase or an off-market purchase, 105% of the Average Closing Price of the Shares; and

(d) the directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.”

17.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

## **18 CLOSURE OF MEETING**

18.1 There being no other business, the meeting ended at 11.30 am. The Chairman thanked shareholders for their attendance at this virtual AGM.

### **CONFIRMED BY**

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Tan Sri Mohd Hassan Marican  
Chairman of the Meeting





Company Registration Number: 196300098Z

## **Sembcorp Marine Ltd 58th Annual General Meeting Responses to Substantial and Relevant Questions**

**Singapore, 22 April 2021** – Sembcorp Marine Ltd (the “**Company**”, the “**Group**” and “**Sembcorp Marine**”) would like to thank shareholders for submitting their questions in advance of the 58th Annual General Meeting (“**AGM**”) to be held by electronic means on 23 April 2021 at 11.00 a.m.

The Company’s responses to substantial questions, which are relevant to the resolutions tabled at the AGM, are set out in the Appendix according to the following themes:

- I. Business
- II. Financials
- III. Others

Sembcorp Marine President & CEO Mr Wong Weng Sun will provide an overview on the Company’s businesses and business outlook during his presentation at the AGM.

## **Appendix**

### **I. BUSINESS**

#### **1. What are the upcoming projects for 2021 through to 2022? What weightage of the Group's contracts are renewables at the present moment?**

As at end 2020, the Group has a net order book of S\$1.82 billion, comprising S\$1.51 billion of projects under execution and S\$0.31 billion of ongoing repairs & upgrades projects with firm deliveries in 2021.

More than 50% of the Net Order Book comprises orders for greener solutions.

Some of the Group's notable renewable projects include:

- Ørsted Hornsea 2 Offshore Wind Farm – Offshore Substation (OSS) and Reactive Compensation Station (RCS) Topsides
- Jan De Nul Formosa 2 Offshore Wind Farm – Fabrication of 15 Wind Turbine Jacket Foundations
- RWE Renewables Sofia Offshore Wind Farm – Following the Early Works Contract awarded in 2020, we secured a Design, Construction, Installation and Commissioning Contract for the Offshore Converter Platform (OCP), in partnership with GE Renewable Energy's Grid Solutions, in March 2021

Please refer to the table below for details of projects under execution as at end 2020.

<b>Projects Under Execution as at 31 December 2020</b>
<b>Renewables Solutions</b> <ul style="list-style-type: none"><li>• Ørsted Hornsea 2 Offshore Wind Farm – Offshore Substation (OSS) and Reactive Compensation Station (RCS) Topsides</li><li>• Jan De Nul Formosa 2 Offshore Wind Farm – Wind Turbine Jacket Foundations</li><li>• RWE Renewables Sofia Offshore Wind Farm – Early Works Contract</li></ul>
<b>Process Solutions</b> <ul style="list-style-type: none"><li>• Equinor Johan Castberg - Newbuild Floating Production, Storage and Offloading Vessel (FPSO)</li><li>• Technip Energies Karish - Newbuild FPSO</li><li>• Shell Vito - Newbuild Floating Production Unit (FPU)</li><li>• Shell Whale - Newbuild FPU</li><li>• NOC Gallaf Batch 2 Well Head Platforms and Bridges</li><li>• Tupi P-71 - Newbuild FPSO</li><li>• Shapoorji - FPSO Conversion</li></ul>
<b>Gas Solutions</b> <ul style="list-style-type: none"><li>• MOL LNG Bunker Vessel</li><li>• TOTAL Tyra Redevelopment Project - Topsides and Bridges</li><li>• Upgrade of Major Floating Storage &amp; Regasification Units (FSRU) and Floating Storage Units (FSU) including the FSRU Karmol LNGT Powership Africa, FSRU Karmol LNGT Powership Asia and the FSU Torman II</li></ul>
<b>Ocean Living Solutions</b> <ul style="list-style-type: none"><li>• Battery-operated Roll-on, Roll-off Passenger Ferries (Three units)</li></ul>
<b>Advanced Drilling Rig Solutions</b> <ul style="list-style-type: none"><li>• Transocean Deepwater Atlas Drillship</li><li>• Transocean Deepwater Titan Drillship</li></ul>

## **2. What are the competitive strengths and advantages of Sembcorp Marine?**

Sembcorp Marine has been delivering innovative engineering solutions to the global offshore, marine and energy industries. The Group is able to provide applied engineering expertise with depth and breadth in capabilities built over 60 years, as well as offer one-stop solutions through its global facilities. Its flagship Tuas Boulevard Yard, a state-of-the-art smart yard with gantry cranes of 30,000-tonne lifting capacity and 100m hook height offers mega-block integration and enable its customers to fulfil business objectives of safety, quality, time and cost.

For a fuller appreciation of the Group's operational capabilities and engineering bench strength, please refer to the latest corporate collaterals found on our corporate website.

## **3. What is the breakeven oil price necessary for Sembcorp Marine to be profitable? What is management's view on the oil price going forward, and the Company's order book trajectory?**

Sembcorp Marine is a provider of innovative and sustainable engineering solutions, products and services for the offshore, marine and energy industries. Our profitability is driven mainly by the value of our contracts or jobs, versus the cost of executing them.

The Group does not make speculative comments on oil prices.

Please refer to Question 1 for details of projects the Group is executing.

## **4. What are the pros/cons of your solutions for floating offshore wind versus those currently out there in the market? How would you compare Sevan's solution to that of a floating barge wind solution? Are there any enquiries for Sevan's system for offshore wind purposes?**

Sembcorp Marine's wind solution is based on Sevan's proprietary geostationary circular hull, a proven design that has excellent sea-keeping and motion characteristics with enhanced stability and operational performance for safe operation in challenging conditions and harsh environments.

The design also allows for modularised fabrication and assembly and scalability. The solution eliminates the need for a costly mooring system and is a cost-efficient alternative to traditional floating barge solutions.

The Sevan solution is not limited to wind applications and can be adapted for an array of offshore oil and gas and renewable applications. The Group continues to receive enquiries relating to Sevan's circular hull solutions from existing and potential customers including those in the areas of renewables involving digitalisation, carbon capture and electrification-related solutions.

**5. Does Sembcorp Marine management have visibility on the two Sete Brasil drillships? Could management shed some light on the impact of the recent shakeup in Petrobras management with regards to the pipeline for those two drillships?**

As disclosed in the Company's latest announcement related to the drillships dated 10 August 2020, there were negotiations with a potential buyer to complete and sell the drillships, which the Company has apportioned ownership.

We will make the necessary announcement when there are further material developments.

For more details, please refer to the various announcements dated 10 August 2020, 4 June 2020, 6 February 2020 and 7 October 2019 on the Company's website.

**6. The Company has a Special Committee to "assist the Board in conducting internal investigations into allegations of improper payments in Brazil and deal with issues arising from the matter". When was this Special Committee formed? Has the Special Committee submitted its report? What has the Special Committee found out? Are we guilty of improper payments? Are we liable to pay compensation, like in the case of Keppel Corp, and if so, how much compensation do we have to fork out?**

The Company has provided several updates on the matter. We will make the necessary announcement when there are further material developments.

For more details, please refer to the various announcements dated 30 March 2015, 21 February 2018, 3 July 2019, 8 July 2019, 3 February 2020, 21 February 2020 and 4 June 2020 on the Company's website.

## **II. FINANCIALS**

**7. Sembcorp Marine has been losing money and not paid dividends for several years. NAV has now declined. EVA and value added per employee is negative. Is it better to liquidate and try to salvage as much money/residual value rather than continue bleeding money?**

**Does Sembcorp Marine expect to turn around? When will the Company turn around?**

We continue to focus our efforts to progress with the safe and timely execution of our existing order book of over \$1.82 billion, as well as build our order book to contribute positively to our profitability over the longer term.

Our broader strategy and plans to return to profitability include:

- Growing our new business segments including renewable energy solutions and other clean and green solutions;
- Focusing on projects related to the gas value chain, including LNG powered vessels;

- Leveraging ongoing R&D efforts to develop new products and solutions aligned with global trends and our customers' needs;
- Moving up the value chain to capture a larger part of the profit pool for our targeted products and solutions; and
- Diversifying into non-drilling products and solutions.

**8. With three years of reported losses, will Sembcorp Marine enter the SGX watch list and be subject to restrictions?**

Sembcorp Marine is not on the SGX watch list.

**III. OTHERS**

**9. Are there any discussions of any new merger deals? Any news on potential mergers with KOM?**

We are not aware of any proposals to merge.



A very good morning to our Shareholders, Chairman Tan Sri Mohd Hassan Marican, Fellow Directors, ladies and gentlemen.

This morning, I will be presenting an overview of our business and operations. I will start with a review of Semcorp Marine Financial Year 2020.

### Managing Disruption Remains Key

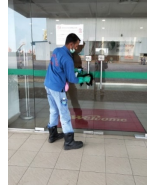
- ❖ Responded swiftly to roll out COVID-19 contingency plan decisively across the Group
- ❖ Implementation of measures to protect our employees, customers and all stakeholders
- ❖ Transformed our business and work processes to ensure safe business operations and timely progress of projects



Mask-wearing & safe distancing in yards



Routine testing for COVID-19



Regular disinfecting of common touchpoints



Transforming work processes to enable flexible & remote work arrangements

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The impact of the COVID-19 pandemic on the global economy was unprecedented. Our industry suffered one of its worst years in 2020.

We were able to roll out our COVID-19 contingency plan decisively across the Group. Our pandemic-related surveillance, rapid response and strategies for infection control protected our employees, customers and all stakeholders.

We have introduced measures and transformed some of our business and work processes to ensure safe business operations and timely progress of projects.



FY2020 Revenue came in at S\$1.51 billion, a 48% decline YoY reflecting macro environment impact of oil price volatility and the COVID-19 pandemic.

The Group registered a Net loss of S\$439 million before Impairments & Provisions. Accounting for Impairments & Provisions of S\$162 million (pre-tax), net loss recorded totalled S\$583 million.

While operational performance was definitely muted in FY2020, we are pleased to share that there were no cancellation of existing projects during the year. We closed the year with a net order book of S\$1.82 billion.



## Successful Completion of S\$2.10 Billion Rights Issue & Demerger

- ❖ **Rights Issue completed in September 2020 – strengthened our liquidity and balance sheet**
- ❖ **Enhanced strategic and operational focus, and improved agility to seize opportunities and respond to evolving market dynamics**

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In September 2020, Sembcorp Marine successfully completed a S\$2.10 billion Rights Issue.

Following our recapitalisation and with Temasek as a direct and significant shareholder, the Group is benefitting from enhanced strategic and operational focus, and improved agility to seize opportunities and respond to evolving market dynamics.

## Projects Under Execution as at 31 December 2020

### Renewables Solutions

- Orsted Hornsea 2 Offshore Wind Farm – Offshore Substation (OSS) and Reactive Compensation Station (RCS) Topsides
- Jan De Nul Formosa 2 Offshore Wind Farm – Wind Turbine Jacket Foundations
- RWE Renewables Sofia Offshore Wind Farm – Early Works Contract

### Process Solutions

- Equinor Johan Castberg - Newbuild Floating Production, Storage and Offloading Vessel (FPSO)
- Technip Energies Karish - Newbuild FPSO
- Shell Vito - Newbuild Floating Production Unit (FPU)
- Shell Whale - Newbuild FPU
- NOC Gallaf Batch 2 Well Head Platforms and Bridges
- Tupi P-71 - Newbuild FPSO
- Shapoorji - FPSO Conversion

### Gas Solutions

- MOL LNG Bunker Vessel
- TOTAL Tyra Redevelopment Project - Topsides and Bridges
- Upgrade of Major Floating Storage & Regasification Units (FSRU) and Floating Storage Units (FSU) including the FSRU Karmol LNGT Powership Africa, FSRU Karmol LNGT Powership Asia and the FSU Toman II

### Ocean Living Solutions

- Battery-operated Roll-on, Roll-off Passenger Ferries (Three units)

### Advanced Drilling Rig Solutions

- Transocean Deepwater Atlas Drillship
- Transocean Deepwater Titan Drillship

- **Net Order Book of S\$1.82 billion as at end December 2020**
- **Comprising S\$1.51 billion of projects under execution and S\$0.31 billion of ongoing repairs & upgrades projects with firm deliveries in 2021**
- **More than 50% of the Net Order Book comprises orders for greener solutions**

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Sembcorp Marine's Net Order Book as at end 2020 stands at S\$1.82 billion comprising S\$1.51 billion of projects under execution and S\$0.31 billion of ongoing Repairs & Upgrades projects with firm deliveries in 2021.

More than 50% of the Net Order Book comprises orders for greener solutions.

## Project Deliveries & Operational Highlights

### ❖ Successful Deliveries

- Wind Farm Jacket Foundations for Hornsea 2 Offshore Wind Farm
- Tangguh LNG Modules



### ❖ Repairs & Upgrades

- Serviced a total of 146 vessels
- Completed 34 Ballast Water Management Systems retrofits and 16 scrubber projects (Benefit from the new IMO regulations on ballast water treatment and fuel sulphur reduction)
- Completed 18 projects and retained World Number One in repair, upgrading and conversion of LNG Carriers, FSRUs and FSUs
- Performed 26 cruise ship repairs and upgrades (including Japan's largest cruise ship Asuka II) and remained top cruise liner service provider in Asia

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In 2020, the Group successfully delivered:

- Wind Farm Jacket Foundations for Hornsea 2 Offshore Wind Farm; and the
- Tangguh LNG Modules

For Repairs & Upgrades, the Group

- serviced a total of 146 vessels in the year;
- completed 34 Ballast Water Management Systems retrofit projects and 16 scrubber projects, benefitting from the new IMO regulations on ballast water treatment and fuel sulphur reduction;
- continued to be recognised as World Number One in the repair, upgrading and conversion of LNG Carriers, Floating Storage Regasification Units (FSRU) and Floating Storage Units (FSU), with a total of 18 projects under our belt in 2020; and
- we retained our position as top cruise liner service provider in Asia with the completion of repairs and upgrades for 26 cruise ships.

One significant highlight was the completion of the major upgrade of Asuka II – Japan's largest cruise ship – involving extensive refurbishment and scrubber installation, for our customer NYK Cruise in March last year.

### ❖ FSRU Karmol LNGT Powership Africa Delivery

- FSRU delivered to a JV between Karpowership and MOL in March 2021 after conversion and upgrading
- Following sea trials, the vessel will be deployed to Senegal, West Africa



### ❖ Sofia Wind Farm HVDC Offshore Converter Platform Project

- Sembcorp Marine and GE Renewable Energy's Grid Solutions secured contract from RWE Renewables to supply high voltage direct current (HVDC) electrical transmission system for the Sofia Offshore Wind Farm
- The Group will design, construct, install and commission the Offshore Converter Platform, one of the most powerful and most remote ever built



I shall now touch on the key highlights in the first quarter of 2021.

We successfully delivered the FSRU Karmol LNGT Powership Africa, ahead of deployment.

At end March 2021, Sembcorp Marine, as part of a consortium, secured a contract from RWE Renewables to supply the high voltage direct current (HVDC) electrical transmission system for the Sofia Offshore Wind Farm. The Group will design, construct, install and commission the Offshore Converter Platform, one of the most powerful and most remote ever built.

## Projects Under Execution

Renewables	Process	Gas	Ocean Living Solutions
<ul style="list-style-type: none"> <li>• Ørsted's Hornsea 2 Offshore Wind Farm topsides</li> <li>• Wind turbine jacket foundations for Jan De Nul's Formosa 2 Offshore Wind Farm</li> </ul>	<ul style="list-style-type: none"> <li>• Equinor Johan Castberg FPSO</li> <li>• Technip Energies Karish newbuild FPSO</li> <li>• Shell Vito newbuild FPU</li> <li>• Shell Whale newbuild FPU</li> <li>• North Oil Company Gallaf Batch 2 Well Head Platforms and Bridges</li> <li>• Tupi P-71 newbuild FPSO topsides fabrication and integration</li> <li>• FPSO Conversion for Shapoorji / Bumi Armada</li> </ul>	<ul style="list-style-type: none"> <li>• 12,000 cbm dual fuel LNG bunker vessel newbuild</li> <li>• TOTAL Tyra Redevelopment Project topsides and bridges</li> <li>• Conversion and major upgrading of FSRU Karmol LNGT Powership Asia and FSU Torman II</li> </ul>	<ul style="list-style-type: none"> <li>• Design and construction of three zero-emission, fully battery-operated roll-on/roll-off passenger (Ropax) ferries for Norled</li> </ul>
			<h3>Advanced Drilling Rig Solutions</h3> <ul style="list-style-type: none"> <li>• Two high-specification ultra-deepwater newbuild drillships for Transocean based on our proprietary Jurong Espadon 3T drillship design</li> </ul>

This slide captures the various project under execution across our business segments of Renewables, Process Solutions, Gas Solutions, Ocean Living Solutions, and Advanced Drilling Rig Solutions, with deliveries scheduled from 2021 to 2025.

- ❖ **Latin American Region continues to be very active in E&P activities – Sembcorp Marine well-positioned to seize opportunities leveraging our EJA integrated yard**
- ❖ **Increasing impetus for customers to restart development of deferred projects with improvement in oil demand and recovery in oil prices in early 2021**
- ❖ **Improving new order visibility – the Group will actively review new opportunities and initiate discussions on resumption of delayed projects**

The Latin American region continues to be very active in offshore exploration and production activities. Petrobras, Brazil's national oil company, continues to have significant plans to grow production in the coming decade. As local content is a key requirement in Brazil, Sembcorp Marine is well-positioned to seize such opportunities, leveraging our Estaleiro Jurong Aracruz (EJA) integrated yard.

With improvement in oil demand and recovery in oil prices in early-2021, there is increasing impetus by our customers to restart the development of deferred projects.

New order visibility has also improved. The Group will actively review new opportunities and initiate discussions on resumption of delayed projects.

## Key Business Strategies

Sembcorp Marine continues to augment three key pillars of our strategic thrusts:

1. **Strategic Expansion into Existing and Adjacent Markets to Remain Resilient & Relevant**
2. **Augmentation of Core Capabilities & Technology to Enhance Competitiveness**
3. **Strategic Investments in Technology and Our People**



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To sustain our business and successfully compete in the global arena for new opportunities, Sembcorp Marine continues to augment three key pillars of our strategic thrusts:

**1. Strategic Expansion into Existing and Adjacent Markets to Remain Resilient & Relevant**

As part of our strategic expansion into existing and adjacent markets, Sembcorp Marine has proactively diversified into sustainable product solutions in keeping with the global shift towards a low-carbon energy mix.

**2. Augmentation of Core Capabilities & Technology to Enhance Competitiveness**

We continue to embed differentiators in our operations through strategic investments in facilities and processes to further augment our world-class assets and technological bench strength.

**3. Strategic Investments in Technology and Our People**

We have made strategic investments in technology and our people to enhance our competitiveness. In recent years, we have selectively acquired intellectual property and interests in technology companies that enable us to compete for bigger and more complex projects.

- ❖ **Secured First Green Financing**
  - Believed to be first SORA-based Sustainability-linked loan for the maritime industry in Singapore, the S\$500 million facility features interest rate discounts linked to pre-determined ESG targets
  
- ❖ **Winner of Sustainability Award – MPA's Singapore International Maritime Awards 2021**
  - Recognises Sembcorp Marine's steadfast contributions towards the building of a greener and more environmentally sustainable maritime industry
  
- ❖ **Hydrogen Pilot MOU with Shell and Penguin International**
  - Joint collaboration to develop hydrogen as a marine fuel, a first for Singapore
  - Championing decarbonisation and emission-free shipping & transportation in the industry
  - Sembcorp Marine will design, fabricate and integrate a hydrogen fuel cell system onto a roll-on/roll-off vessel, owned by Penguin, for trial operations by Shell

I shall now share some key sustainability highlights. In March 2021, Sembcorp Marine secured a S\$500 million Sustainability-linked financing facility which references the Singapore Overnight Rate Average (SORA). Believed to be the first SORA-based Sustainability-linked loan for the maritime industry in Singapore, the loan features interest rate discounts linked to pre-determined ESG targets. As these targets are achieved, the Group will enjoy savings in borrowing costs.

Our continuous commitment to sustainability over the years has earned the Group recognition at the national level. Earlier this week, Sembcorp Marine won the prestigious Sustainability Award, presented for the first time at the Singapore International Maritime Awards 2021 organised by the Maritime and Port Authority of Singapore.

We are also actively championing decarbonisation in the marine, offshore and energy industries through R&D collaborations. Two days ago, Sembcorp Marine signed a Memorandum of Understanding with Shell and Penguin International to jointly develop hydrogen as a marine fuel. This pilot development is a first for Singapore and potentially paves the way for emission-free shipping and transportation.



- ❖ **Premature to predict a strong and sustainable industry recovery, though there is a sense of positivity**
- ❖ **Improving visibility – possible restarting of deferred projects and emerging opportunities**
- ❖ **Sembcorp Marine poised to benefit from global energy transition towards cleaner energy mix**
- ❖ **Oil remains a critical resource in the short to medium-term and global demand for this fuel will remain**
- ❖ **Continue to pursue strategic initiatives to build business resilience and deliver long-term sustainable value for all our shareholders**

It remains premature to predict a strong and sustainable recovery for the industry though there is a sense of positivity. As mentioned earlier, there is improving order visibility, as well as possible re-starting of deferred projects and emerging new opportunities.

As global energy players transform and pivot towards cleaner energy and build the appropriate energy infrastructure, the Group should benefit from this transition. Notwithstanding the ongoing developments in green energy, oil remains a critical resource in the short to medium-term and global demand for this fuel will remain.

We would like to extend our appreciation to all our shareholders who had supported the Group during the year. We will continue to pursue our strategic initiatives to build business resilience and deliver long-term sustainable value for all our shareholders.

Thank you once again for your steadfast support.



sembcorp  
marine

### **Integrated Synergies, Global Possibilities.**

Disclaimer: This presentation should be read in conjunction with 1) all formal/ legal announcements and also 2) all announcements and documents in relation to the Proposed Distribution, which will be released by Sembcorp Industries Ltd on SGXNET. This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, exchange rate movement, cost of capital and capital availability, competition from other companies and venues for sale and distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes. The forward-looking statements reflect the current views of Management on future trends and developments.



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Co. Regn. No. 201002810E

SEMBCORP MARINE LTD  
Company Registration No. 196300098Z

Annual General Meeting  
Held on 23 April 2021

**SCRUTINEERS' CERTIFICATE**

To: The Chairman  
SEMBCORP MARINE LTD

Dear Sirs,

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

**SUMMARY RESULTS OF POLL**

Resolution number and details	Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST		ABSTAIN
		No. of shares	As a percentage of total number of votes for and against the resolution (%)	No. of shares	As a percentage of total number of votes for and against the resolution (%)	No. of shares
1 To adopt the directors' statement and the audited financial statements.	6,375,138,693	6,373,130,448	99.97%	2,008,245	0.03%	38,470,236
2 To re-elect Tan Sri Mohd Hassan Marican	6,380,054,121	6,102,625,807	95.65%	277,428,314	4.35%	33,554,808
3 To re-elect Mr Bob Tan Beng Hai	6,378,603,921	6,367,353,870	99.82%	11,250,051	0.18%	35,005,008
4 To re-elect Mr William Tan Seng Koon	6,379,156,521	6,250,141,729	97.98%	129,014,792	2.02%	34,452,408
5 To approve directors' fees for the year ending 31 December 2021	6,352,690,003	6,350,592,281	99.97%	2,097,722	0.03%	60,918,926
6 To re-appoint KPMG LLP as auditors and to authorise the directors to fix their remuneration	6,380,054,121	6,377,999,599	99.97%	2,054,522	0.03%	33,554,808
7 To approve the renewal of Share Issue Mandate	6,380,097,321	6,350,467,223	99.54%	29,630,098	0.46%	33,511,608
8 To approve the renewal of the Share Plan Mandate	6,380,097,321	6,337,305,601	99.33%	42,791,720	0.67%	33,511,608
9 To approve the renewal of the Interested Person Transactions Mandate	1,000,804,113	998,795,868	99.80%	2,008,245	0.20%	5,412,804,816
10 To approve the renewal of the Share Purchase Mandate	6,378,856,743	6,376,802,221	99.97%	2,054,522	0.03%	34,752,186

Yours faithfully,

Scrutineer Firm: T S Tay Public Accounting Corporation