

OFFER INFORMATION STATEMENT DATED 26 AUGUST 2021

(Lodged with the Monetary Authority of Singapore on 26 August 2021)

THIS DOCUMENT IS IMPORTANT. BEFORE MAKING ANY INVESTMENT IN THE RIGHTS OR THE RIGHTS SHARES (EACH AS DEFINED HEREIN) BEING OFFERED, YOU SHOULD CONSIDER THE INFORMATION PROVIDED IN THIS DOCUMENT CAREFULLY, AND CONSIDER WHETHER YOU UNDERSTAND WHAT IS DESCRIBED IN THIS DOCUMENT. YOU SHOULD ALSO CONSIDER WHETHER AN INVESTMENT IN THE RIGHTS OR THE RIGHTS SHARES BEING OFFERED IS SUITABLE FOR YOU, TAKING INTO ACCOUNT YOUR INVESTMENT OBJECTIVES AND RISK APPETITE. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER. YOU ARE RESPONSIBLE FOR YOUR OWN INVESTMENT CHOICES.

A copy of this offer information statement (the **"Offer Information Statement"**), together with a copy of each of the Application Form for Rights Shares and Excess Rights Shares (the **"ARE"**), the Application Form for Rights Shares (the **"ARS"**) and the Provisional Allotment Letter in respect of the Rights Issue (as defined herein) (the **"PAL"**), has been lodged with the Monetary Authority of Singapore (the **"MAS"** or **"Authority"**). The MAS assumes no responsibility for the contents of this Offer Information Statement, the ARE, the ARS and the PAL. Lodgment of this Offer Information Statement, the ARE, the ARS and the PAL with the MAS does not imply that the Securities and Futures Act, Chapter 289 of Singapore (the **"SFA"**), or any other legal or regulatory requirements, have been complied with. The MAS has not, in any way, considered the merits of the Rights or the Rights Shares being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited (the **"SGX-ST"**) for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to certain conditions. The Rights Shares will be admitted to the Official List of the SGX-ST and official quotation will commence after all the conditions imposed by the SGX-ST are satisfied and the certificates for the Rights Shares have been issued.

The SGX-ST assumes no responsibility for the correctness or accuracy of any of the statements made, reports contained and opinions expressed in this Offer Information Statement. Approval in-principle granted by the SGX-ST for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Rights, Sembcorp Marine Ltd (the **"Company"**), its subsidiaries (together with the Company, the **"Group"**) and/or the ordinary shares in the capital of the Company (the **"Shares"**).

This Offer Information Statement 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 **"U.S."** or **"United States"**), Canada or Japan. The Rights, the Rights Shares and the Excess Rights Shares (as defined 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 Rights, 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.

This Offer Information Statement shall not constitute an offer to sell or a solicitation of an offer to buy shares or other securities, including the Rights and the Rights Shares. This Offer Information Statement may not be sent or disseminated to any person or any jurisdiction in which it would not be permissible to deliver the Rights and the Rights Shares or make an offer of the Rights and the Rights Shares, and the Rights and the Rights Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction. Persons to whom a copy of this Offer Information Statement has been issued shall not circulate to any other person, reproduce or otherwise distribute this Offer Information Statement or any information herein for any purpose whatsoever nor permit or cause the same to occur.

The distribution and/or dissemination (electronic or otherwise) of this Offer Information Statement, the OIS Notification Letter (as defined herein) and/or its accompanying documents, and/or the transfer of the Rights and the Rights Shares into jurisdictions other than Singapore may be prohibited or restricted by law. Persons into whose possession this Offer Information Statement, the OIS Notification Letter and/or its accompanying documents come or who access this Offer Information Statement and such other documents 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.

Please refer to the sections *"Offering, Selling and Transfer Restrictions"* and *"Eligibility of Shareholders to Participate in the Rights Issue"*.

This Offer Information Statement and its accompanying documents have been prepared solely in relation to the Rights Issue and shall not be relied upon by any other person or for any other purpose.

This Offer Information Statement and its accompanying documents may be accessed at the Company's website at <https://www.sembmarine.com/investor-relations/stock-exchange-announcements>, and is also available on the SGX-ST's website at <https://www.sgx.com/securities/company-announcements>. In accordance with the Securities and Futures (Offers of Investments) (Temporary Exemption from Sections 277(1)(c) and 305B(1)(b)) Regulations 2020, printed copies of this Offer Information Statement will NOT be despatched to any person. Printed copies of the ARE and the ARS, in the case of Entitled Depositors and Purchasers (each as defined herein) respectively, and the PAL, in the case of Entitled Scripholders (as defined herein), and the OIS Notification Letter containing instructions on how Entitled Shareholders (as defined herein) can access this Offer Information Statement electronically, will be despatched to Entitled Shareholders.

No Rights or Rights Shares shall be allotted or allocated on the basis of this Offer Information Statement later than six months after the date of lodgment of this Offer Information Statement.



Sole Financial Adviser, Manager and Underwriter for the Rights Issue



RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE OF 18,833,459,491 RIGHTS SHARES AT AN 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 (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

IMPORTANT DATES AND TIMES

Last date and time for splitting and trading of Rights	:	8 September 2021 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares and/or application and payment for Excess Rights Shares	:	14 September 2021 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks (each as defined herein) or through an Accepted Electronic Service (as defined herein))

CONTENTS PAGE

	PAGE
IMPORTANT NOTICE	1
IMPORTANT NOTICE TO (A) CPFIS MEMBERS, (B) SRS INVESTORS AND (C) INVESTORS WHO HOLD SHARES THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT	3
CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS	5
DEFINITIONS.....	6
INDICATIVE TIMETABLE OF KEY EVENTS	16
SUMMARY OF THE RIGHTS ISSUE.....	18
RISK FACTORS.....	23
ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE.....	40
OFFERING, SELLING AND TRANSFER RESTRICTIONS	43
TRADING	45
SHAREHOLDING LIMITS	47
SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018	50
ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL.....	99
APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS	A-1
APPENDIX B – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK	B-1
APPENDIX C – PROCEDURES FOR APPLICATION, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS	C-1

IMPORTANT NOTICE

Capitalised terms used which are not otherwise defined herein shall have the same meanings as ascribed to them in the section “Definitions”.

For Entitled Depositors and their renounees, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through CDP or by way of an Electronic Application at an ATM of a Participating Bank or through an Accepted Electronic Service.

For Entitled Scripholders and their renounees, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through KCK CorpServe Pte. Ltd. (the “Share Registrar”).

The existing Shares are listed and quoted on the Main Board of the SGX-ST.

Persons wishing to purchase the Rights or subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to so purchase or subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the affairs of the Company and the Group, including but not limited to the assets and liabilities, profits and losses, financial position and performance, and prospects of the Company and the Group and the rights and liabilities attaching to the Rights and Rights Shares. They should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of such affairs of the Company and the Group, including but not limited to the assets and liabilities, profits and losses, financial position and performance, and prospects of the Company and the Group, as well as any bases and assumptions upon which financial projections, if any, are made or based, and their own appraisal and determination of the merits of investing in the Company and the Group. Persons in doubt as to the action they should take should consult their business, financial, legal, tax or other professional adviser before deciding whether to participate in the Rights Issue.

CPFIS Members, SRS Investors and investors who hold Shares through a finance company and/or Depository Agent should refer to the section “Important Notice to (A) CPFIS Members, (B) SRS Investors and (C) Investors who hold Shares through a Finance Company and/or Depository Agent” for important details relating to the offer procedure for them.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Rights Issue or the issue of the Rights Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or the Sole Financial Adviser, Manager and Underwriter. Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future financial condition, performance, prospects or policies of the Company or the Group. Neither the delivery and/or the dissemination of this Offer Information Statement nor the issue of the Rights Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company will make an announcement of the same via SGXNET and, if required, lodge a supplementary or replacement document with the MAS. All Entitled Shareholders, their renounees and Purchasers should take note of any such announcement and, upon the release of such announcement or lodgment of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

The Company and the Sole Financial Adviser, Manager and Underwriter make no representation to any person regarding the legality of an investment in the Rights, the Rights Shares and/or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice.

The Sole Financial Adviser, Manager and Underwriter makes no representation, warranty or recommendation whatsoever as to the merits of the Rights, the Rights Issue, the Rights Shares, the Shares, the Company, the Group or any other matter related thereto or in connection therewith.

Nothing in this Offer Information Statement and its accompanying documents shall be construed as a recommendation to accept or purchase the Rights, the Rights Shares or the Shares.

This Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue, and may not be relied upon by any persons (other than Entitled Shareholders to whom it is despatched or disseminated in accordance with such laws or regulations as may be applicable by the Company, their renounees and Purchasers) or for any other purpose.

This Offer Information Statement, the OIS Notification Letter, the ARE, the ARS and the PAL, may not be used for the purpose of, and do not constitute, an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The dissemination of this Offer Information Statement and the distribution of the OIS Notification Letter and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Entitled Shareholders, their renounees and Purchasers or any other persons having access to the electronic version of this Offer Information Statement and/or having possession of this Offer Information Statement are advised to keep themselves informed of and observe such prohibitions and restrictions. Please refer to the section “Offering, Selling and Transfer Restrictions”.

The Rights and the Rights Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights or the Rights Shares or the accuracy or adequacy of this Offer Information Statement. Any representation to the contrary may be a criminal offence in the United States.

Notification under Section 309B of the SFA: The Rights and the Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

IMPORTANT NOTICE TO (A) CPFIS MEMBERS, (B) SRS INVESTORS AND (C) INVESTORS WHO HOLD SHARES THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT

Capitalised terms used which are not otherwise defined herein shall have the same meanings as ascribed to them in the section “*Definitions*”.

For CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents, acceptances of the Rights and (if applicable) applications for Excess Rights Shares must be done through their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, respectively.

ANY ACCEPTANCE AND/OR (IF APPLICABLE) APPLICATION MADE DIRECTLY BY THE ABOVEMENTIONED PERSONS THROUGH CDP, ELECTRONIC APPLICATIONS THROUGH ATMS OF THE PARTICIPATING BANKS OR THROUGH AN ACCEPTED ELECTRONIC SERVICE, THE SHARE REGISTRAR AND/OR THE COMPANY WILL BE REJECTED.

The abovementioned persons, where applicable, will receive notification letter(s) from their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the Rights and (if applicable) applications for Excess Rights Shares to their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be.

Such persons are advised to provide their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by such intermediaries, in order for such intermediaries to make the relevant acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement by the Closing Date.

(i) Use of CPF Funds

CPFIS Members can only use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their Rights and (if applicable) application for Excess Rights Shares.

Such CPFIS Members who wish to accept their Rights and (if applicable) apply for Excess Rights Shares using their CPF Funds must have sufficient funds in their CPF Investment Accounts and will need to instruct their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement.

In the case of insufficient CPF Funds or stock limit, CPFIS Members could top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept their Rights and (if applicable) apply for Excess Rights Shares on their behalf.

CPF Funds cannot, however, be used for the purchase of Rights directly from the market.

(ii) Use of SRS Funds

SRS Investors can only use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the acceptance of their Rights and (if applicable) application for Excess Rights Shares.

Such SRS Investors who wish to accept their Rights and (if applicable) apply for Excess Rights Shares using SRS monies will need to instruct their respective SRS Approved Banks with whom they hold their SRS accounts to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement.

SRS Investors who have insufficient funds in their SRS accounts could, subject to the SRS contribution cap, deposit cash into their SRS accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf.

SRS monies cannot, however, be used for the purchase of Rights directly from the market.

(iii) Holdings through a Finance Company and/or Depository Agent

Investors who hold Shares through a finance company and/or Depository Agent will need to instruct their respective finance company and/or Depository Agent to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by the Company or the Directors, officers or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or are forward-looking such as, without limitation, “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, operating results, business strategies, plans and prospects are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

As there are risks (both known and unknown), uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither the Company, the Sole Financial Adviser, Manager and Underwriter nor any other person represents or warrants that the Group’s actual future results, performance or achievements will be as discussed in those statements.

Further, each of the Company and the Sole Financial Adviser, Manager and Underwriter disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. Where such developments, events or circumstances occur and are material, or are required to be disclosed by law and/or the SGX-ST, the Company will make an announcement via SGXNET and, if required, lodge a supplementary or replacement document with the MAS.

DEFINITIONS

For the purpose of this Offer Information Statement, the OIS Notification Letter, the ARE, the ARS and the PAL, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

“1H”	:	The six-month period ended 30 June
“2H”	:	The six-month period ended 31 December
“2020 Rights Issue”	:	Has the meaning ascribed to it in paragraph 8(c) of the section “ <i>Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information</i> ”
“Acceptance Condition”	:	Has the meaning ascribed to it in the section “ <i>Shareholding Limits</i> ”
“Accepted Electronic Service”	:	An accepted payment services (such as PayNow) or electronic service delivery networks
“Announcement”	:	The announcement made by the Company on 24 June 2021 relating to, <i>inter alia</i> , the Rights Issue and the Potential Combination
“ARE”	:	Application form for Rights Shares and Excess Rights Shares issued to Entitled Depositors in respect of their Rights under the Rights Issue
“ARS”	:	Application form for Rights Shares issued to Purchasers in respect of their purchase of Rights traded on the SGX-ST through the book-entry (scripless) settlement system
“A*STAR”	:	Agency for Science, Technology and Research in Singapore
“ATM”	:	Automated teller machine of a Participating Bank
“Board of Directors”	:	The board of Directors of the Company as at the date of this Offer Information Statement
“Borr Drilling”	:	Borr Drilling Limited and its subsidiaries
“BWMS”	:	Ballast water management systems
“CDP”	:	The Central Depository (Pte) Limited
“Closing Date”	:	(i) 5.00 p.m. on 14 September 2021 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance of and/or excess application and payment for the Rights Shares under the Rights Issue through CDP or the Share Registrar; or

	(ii)	9.30 p.m. on 14 September 2021 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance of and/or excess application and payment for the Rights Shares under the Rights Issue through an ATM of a Participating Bank or through an Accepted Electronic Service
“Combined Entity”	:	Has the meaning ascribed to it in paragraph 10 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 5 – Operating and Financial Review and Prospects Operating Results”</i>
“Companies Act”	:	Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
“Company” or “SCM”	:	Sembcorp Marine Ltd
“Compliance Offer”	:	Has the meaning ascribed to it in the section <i>“Shareholding Limits”</i>
“Constitution”	:	The constitution of the Company, as amended, modified or supplemented from time to time
“CPF”	:	Central Provident Fund
“CPF Funds”	:	CPF investible savings
“CPF Investment Account”	:	The investment account maintained with an approved CPF agent bank for the purpose of investment of CPF Funds under the CPFIS – Ordinary Account
“CPFIS”	:	CPF Investment Scheme
“CPFIS Members”	:	Shareholders who have previously purchased Shares using their CPF Funds under their CPF Investment Accounts
“DBS Group”	:	DBS Group Holdings Ltd
“Directors”	:	The directors of the Company, as at the date of this Offer Information Statement
“EGM”	:	The extraordinary general meeting of the Company convened and held by way of electronic means at 2.00 p.m. on 23 August 2021
“EGT”	:	Ecospec Global Technology Pte Ltd
“EJA”	:	Estaleiro Jurong Aracruz Ltda
“EJA FY2019 Financial Statements”	:	Has the meaning ascribed to it in paragraph 8(c) of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information”</i>

“Electronic Application”	:	Acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made through (i) an ATM of a Participating Bank; (ii) an Accepted Electronic Service; or (iii) the SGX-SFG Service, as the case may be, in accordance with the terms and conditions contained in this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank or through an Accepted Electronic Service shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SFG Service
“Entitled Depositors”	:	Shareholders with Shares standing to the credit of their Securities Accounts as at the Record Date and (i) whose registered addresses with CDP are in Singapore as at the Record Date, or (ii) who have, at least three Market Days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Shareholders located, resident or with a registered address in any jurisdiction outside Singapore
“Entitled Scripholders”	:	Shareholders whose share certificates have not been deposited with CDP as well as transferees who have tendered to the Share Registrar registrable transfers of their Shares and the certificates relating thereto for registration up to the Record Date and (i) whose registered addresses with the Company are in Singapore as at the Record Date, or (ii) who have, at least three Market Days prior to the Record Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Shareholders located, resident or with a registered address in any jurisdiction outside Singapore
“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders
“EPS”	:	Earnings/(loss) per Share
“Excess Rights Shares”	:	Rights Shares represented by provisional allotments of Rights Shares not accepted (whether by the persons to which the Rights Shares are provisionally allotted or by the Purchasers of “nil-paid” Rights), taken up or allotted for any reason and the fractional provisional allotments of Rights Shares not allotted in accordance with the terms of the Rights Issue
“Existing Share Capital”	:	Has the meaning ascribed to it in paragraph 8(d) of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information”</i>
“FMPL”	:	Fullerton Management Pte Ltd
“Foreign Purchasers”	:	Purchasers of the Rights whose registered addresses with CDP are outside Singapore at the time of purchase through the book-entry (scripless) settlement system

“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore as at the Record Date and who have not, at least three Market Days prior thereto, provided the Share Registrar or CDP, as the case may be, with addresses in Singapore for the service of notices and documents
“FSRU”	:	Floating storage and re-gasification unit
“FSU”	:	Floating storage unit
“FY”	:	Financial year ended or, as the case may be, ending 31 December
“Group”	:	The Company and its subsidiaries
“GW”	:	Gigawatt
“HVDC”	:	High voltage direct current
“Ineligible Shareholders”	:	Shareholders other than the Entitled Depositors and the Entitled Scripholders
“Issue Price”	:	The issue price of the Rights Shares, being S\$0.08 for each Rights Share
“JSPL”	:	Jurong Shipyard Pte Ltd, a wholly-owned subsidiary of the Company
“KCL”	:	Keppel Corporation Limited
“KOM”	:	Keppel Offshore & Marine Ltd., a wholly-owned subsidiary of KCL
“KPMG AI”	:	KPMG Auditores Independentes
“KPMG AI Opinion”	:	Has the meaning ascribed to it in paragraph 8(c) of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information”</i>
“Last Trading Day”	:	23 June 2021, being the last trading day on which trades were done on the Shares prior to the Announcement
“Latest Practicable Date”	:	23 August 2021, being the latest practicable date prior to the lodgment of this Offer Information Statement
“Listing Manual”	:	The listing manual of the SGX-ST, as amended or modified from time to time
“LNG”	:	Liquefied natural gas
“Loan Facility”	:	Has the meaning ascribed to it in paragraph 3 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information”</i>

“Management and Underwriting Agreement”	:	The management and underwriting agreement dated 24 June 2021 entered into between the Company and the Sole Financial Adviser, Manager and Underwriter, pursuant to which the Sole Financial Adviser, Manager and Underwriter will manage the Rights Issue and will underwrite the Underwritten Rights Shares at the Issue Price, on the terms and subject to the conditions therein, the details of which are set out in paragraph 7 of the section “ <i>Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing</i> ”
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“MAS”	:	The Monetary Authority of Singapore
“Maximum Resultant Holding Scenario”	:	Has the meaning ascribed to it in the section “ <i>Shareholding Limits</i> ”
“Minimum Resultant Holding Scenario”	:	Has the meaning ascribed to it in the section “ <i>Shareholding Limits</i> ”
“MOU”	:	Has the meaning ascribed to it in paragraph 10 of the section “ <i>Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 5 – Operating and Financial Review and Prospects Operating Results</i> ”
“NRIC”	:	National Registration Identity Card
“NTA”	:	Net tangible assets
“O&M”	:	Offshore and Marine
“Offer Information Statement”	:	This document, together with (where the context requires), the ARE, the ARS, the PAL and all other accompanying documents (where applicable, including any supplementary or replacement document thereof) issued by the Company and lodged with the MAS in connection with the Rights Issue
“OIS Notification Letter”	:	The notification letter dated 26 August 2021 issued to Entitled Shareholders and Purchasers (other than Foreign Purchasers) containing, among others, instructions on how to view, download and print the electronic version of this Offer Information Statement
“PAL”	:	The provisional allotment letter issued to Entitled Scripholders, setting out the Rights of such Entitled Scripholder under the Rights Issue
“Participating Banks”	:	DBS Bank Ltd. (including POSB), Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited
“per cent.” or “%”	:	Per centum or percentage

“PIP”	:	Has the meaning ascribed to it in paragraph 5 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 7 – Additional Information”</i>
“Potential Combination”	:	Has the meaning ascribed to it in paragraph 10 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 5 – Operating and Financial Review and Prospects Operating Results”</i>
“PSP 2010”	:	The Sembcorp Marine Performance Share Plan 2010 approved and adopted by the Shareholders on 20 April 2010
“Purchaser”	:	A purchaser of the Rights traded on the SGX-ST through the book-entry (scripless) settlement system
“Record Date”	:	5.00 p.m. on 26 August 2021, being the time and date at and on which the Register of Members and the Share Transfer Books of the Company will be closed to determine the provisional allotments of Rights Shares of Entitled Shareholders under the Rights Issue
“Register of Members”	:	The register of members of the Company
“Regulation S”	:	Regulation S under the Securities Act
“Relevant Event”	:	Has the meaning ascribed to it in the section <i>“Shareholding Limits”</i>
“Relevant Persons”	:	The Participating Banks, the Share Registrar, Securities Clearing and Computer Services (Pte) Limited, CDP, the CPF Board, the SGX-ST, the Company, the Sole Financial Adviser, Manager and Underwriter or any of their affiliates or any persons acting on their behalf
“Relevant Shares”	:	Has the meaning ascribed to it in the section <i>“Shareholding Limits”</i>
“Rights”	:	Rights to subscribe for three (3) Rights Shares for every two (2) existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded
“Rights Issue”	:	The renounceable underwritten rights issue by the Company of 18,833,459,491 Rights Shares at the Issue Price, 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, on the terms and conditions of this Offer Information Statement
“Rights Issue Resolution”	:	The resolution passed at the EGM to approve the issue of Rights Shares pursuant to the Rights Issue
“Rights Shares”	:	The 18,833,459,491 new Shares to be allotted and issued by the Company pursuant to the Rights Issue

“ROPAX”	:	Roll on/roll off passenger ship
“Ropax Project”	:	Has the meaning ascribed to it in paragraph 5 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 7 – Additional Information”</i>
“RSP 2010”	:	The Sembcorp Marine Restricted Share Plan 2010 approved and adopted by the Shareholders on 20 April 2010
“RSP 2020”	:	The Sembcorp Marine Restricted Share Plan 2020 approved and adopted by the Shareholders on 20 May 2020
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“SCI”	:	Sembcorp Industries Ltd
“SCI Undertaking Agreement”	:	Has the meaning ascribed to it in paragraph 8(h)(v) of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information”</i>
“Securities Account”	:	Securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
“Securities Act”	:	The U.S. Securities Act of 1933, as amended
“Semb-Eco”	:	Semb-Eco Pte. Ltd., a wholly-owned subsidiary of the Company
“SFA”	:	Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
“SFRS(I)”	:	Singapore Financial Reporting Standards (International)
“SFS”	:	Sembcorp Financial Services Pte. Ltd., a subsidiary of SCI
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	KCK CorpServe Pte. Ltd.
“Share Transfer Books”	:	The share transfer books of the Company
“Shareholders”	:	Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
“Shares”	:	The ordinary shares in the capital of the Company
“SIC”	:	Securities Industry Council of Singapore
“Singapore”	:	The Republic of Singapore

“SMFS”	:	Sembcorp Marine Financial Services Pte. Ltd., a wholly-owned subsidiary of the Company
“SMIY”	:	Sembcorp Marine Integrated Yard Pte Ltd, a wholly-owned subsidiary of the Company
“SMRU”	:	Sembcorp Marine Repairs & Upgrades Pte. Ltd., a wholly-owned subsidiary of the Company
“Sole Financial Adviser, Manager and Underwriter”	:	DBS Bank Ltd.
“SRS”	:	Supplementary Retirement Scheme
“SRS Approved Banks”	:	Approved banks with whom SRS Investors hold their accounts under the SRS
“SRS Investors”	:	Investors who have previously purchased Shares under the SRS
“Startree”	:	Startree Investments Pte. Ltd., an indirect wholly-owned subsidiary of Temasek
“Substantial Shareholder”	:	A person who has an interest or interests in one or more voting Shares in the Company and the total votes attached to that voting Share, or those voting Shares, is not less than five per cent. of the total votes attached to all the voting Shares in the Company (excluding treasury shares)
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
“Temasek”	:	Temasek Holdings (Private) Limited
“Temasek Companies”	:	Direct or indirect wholly-owned subsidiaries of Temasek whose boards of directors comprise solely of employees or nominees of: (i) Temasek; (ii) Temasek Pte. Ltd.; and/or (iii) wholly-owned subsidiaries of Temasek Pte. Ltd.
“Temasek Concert Party Group”	:	Temasek and its concert parties
“Temasek Group”	:	Temasek and the Temasek Companies
“Transocean”	:	Transocean Offshore Deepwater Holdings Limited
“Undertaken Excess Rights Shares”	:	Has the meaning ascribed to it in paragraph 7(b) of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing”</i>
“Undertaken Pro Rata Rights Shares”	:	Has the meaning ascribed to it in paragraph 7(a) of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing”</i>

“Undertaken Rights Shares”	:	Has the meaning ascribed to it in paragraph 7(b) of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing”</i>
“Undertaking Agreement”	:	The undertaking agreement dated 24 June 2021 entered into between Startree and the Company, details of which are set out in paragraph 7 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing”</i>
“Underwritten Rights Shares”	:	Based on the Rights Issue size of 18,833,459,491 Rights Shares, up to 6,215,041,633 Rights Shares, representing up to 33.0 per cent. of the total number of Rights Shares (which excludes the Undertaken Rights Shares) which the Sole Financial Adviser, Manager and Underwriter has agreed to underwrite at the Issue Price, on the terms and subject to the conditions of the Management and Underwriting Agreement
“Unit Share Market”	:	The unit share market of the SGX-ST which allows for trading of a single share
“United States” or “U.S.”	:	The United States of America
“US\$”	:	United States dollars

In this Offer Information Statement, references to **“we”**, **“our”** and **“us”** mean, as the context requires, Sembcorp Marine Ltd on an unconsolidated basis or Sembcorp Marine Ltd and its subsidiaries on a consolidated basis. References to the **“Company”** or **“SCM”** are to Sembcorp Marine Ltd on an unconsolidated basis and references to the **“Group”** are to Sembcorp Marine Ltd and its subsidiaries on a consolidated basis.

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

The term **“subsidiary”** shall have the meaning ascribed to it in Section 5 of the Companies Act.

The terms **“acting in concert”**, **“concert parties”** and **“effective control”** shall have the meanings ascribed to them respectively in the Take-over Code.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*.

References to persons shall include corporations.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment as for the time being amended, modified or re-enacted. Any word defined under the Companies Act, the SFA, the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018, the Listing Manual, the Take-over Code, or any amendment or modification thereof and not otherwise defined in this Offer Information Statement shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018, the Listing Manual, the Take-over Code, or such amendment or modification thereof, as the case may be.

Any reference to a time of day and dates in this Offer Information Statement shall be a reference to Singapore time and dates unless otherwise stated.

Any discrepancies in figures included in this Offer Information Statement between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Information Statement may not be an arithmetic aggregation of the figures that precede them.

Where applicable, figures and percentages used in this Offer Information Statement have been rounded to one decimal place for ease of reading.

Any reference to a website or any website directly or indirectly linked to such website in this Offer Information Statement is not incorporated by reference into this Offer Information Statement and should not be relied upon.

INDICATIVE TIMETABLE OF KEY EVENTS

The timetable below lists certain important dates and times relating to the Rights Issue. All dates and times referred to below are Singapore dates and times.

Lodgment of this Offer Information Statement and accompanying application forms with the MAS and dissemination of this Offer Information Statement via websites of the Company and the SGX-ST	:	Thursday, 26 August 2021
Record Date	:	Thursday, 26 August 2021 at 5.00 p.m.
Despatch of the OIS Notification Letter (together with the ARE or the PAL, as the case may be) to Entitled Shareholders	:	Tuesday, 31 August 2021
Commencement of trading of Rights	:	Tuesday, 31 August 2021 from 9.00 a.m.
First date and time for acceptance of and payment for Rights Shares and/or application and payment for Excess Rights Shares ⁽¹⁾	:	Tuesday, 31 August 2021 (9.00 a.m. for Electronic Applications through ATMs of the Participating Banks or through an Accepted Electronic Service)
Last date and time for splitting and trading of Rights	:	Wednesday, 8 September 2021 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares and/or application and payment for Excess Rights Shares ⁽¹⁾	:	Tuesday, 14 September 2021 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks or through an Accepted Electronic Service)
Last date and time for renunciation of and payment for Rights Shares ⁽¹⁾	:	Tuesday, 14 September 2021 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks or through an Accepted Electronic Service)
Expected date of allotment, issuance and crediting of Rights Shares	:	Wednesday, 22 September 2021
Expected date of commencement of trading of Rights Shares	:	Wednesday, 22 September 2021
Expected date for refund of unsuccessful applications (if made through CDP)	:	Wednesday, 22 September 2021

Note:

- (1) This does not apply to CPFIS Members, SRS Investors and investors who hold Shares through a finance company and/or Depository Agent. CPFIS Members, SRS Investors and investors who hold Shares through a finance company and/or Depository Agent should see the section "*Important Notice to (A) CPFIS Members, (B) SRS Investors and (C) Investors who hold Shares through a Finance Company and/or Depository Agent*". Any acceptance and/or (if applicable) application made by these investors directly through CDP, ATMs of a Participating Bank, an Accepted Electronic Service, the Share Registrar and/or the Company will be rejected. Such investors, where applicable, will receive notification letter(s) from their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the application procedure for them, including the date and time to submit applications to their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be.

The above timetable is indicative only and is subject to change. As at the date of this Offer Information Statement, the Company does not expect the above timetable to be modified. However, the Company may, in consultation with the Sole Financial Adviser, Manager and Underwriter and with the approval of the SGX-ST and/or CDP, modify the above timetable subject to any limitation under any applicable laws. In such an event, the Company will publicly announce the same through a SGXNET announcement to be posted on the internet at the SGX-ST's website <https://www.sgx.com/securities/company-announcements>.

SUMMARY OF THE RIGHTS ISSUE

The following is a summary of the principal terms and conditions of the Rights Issue and is derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

Basis of Provisional Allotment : The Rights Issue is made on a renounceable underwritten basis to Entitled Shareholders 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.

Issue Price : S\$0.08 for each Rights Share. The Rights Shares are payable in full upon acceptance and/or application.

Discount : The Issue Price represents a discount of approximately:

- (i) 58.1 per cent. to the last transacted price of the Shares on the Main Board of the SGX-ST of S\$0.191 on the Last Trading Day; and
- (ii) 35.7 per cent. to the theoretical ex-rights price of S\$0.124¹ per Share.

The Issue Price and discounts have been determined after taking into account various factors including precedent transactions, the transaction size and discussions with the Sole Financial Adviser, Manager and Underwriter. The 35.7 per cent. discount to the theoretical ex-rights price is similar to the 35.1 per cent. discount to the theoretical ex-rights price for the 2020 Rights Issue².

Status of Rights Shares : The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing 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.

Number of Rights Shares to be Issued : Based on the Existing Share Capital of the Company of 12,555,639,661 Shares, the Company will allot and issue 18,833,459,491 Rights Shares under the Rights Issue.

As a result of the entry into the Undertaking Agreement and the Management and Underwriting Agreement, the Company will have certainty of raising the full S\$1.5 billion contemplated from the Rights Issue and all of the Rights Shares to be allotted and issued by the Company under the Rights Issue will be fully subscribed and paid for.

Gross Proceeds from the Rights Issue : The estimated amount of the gross proceeds from the Rights Issue is approximately S\$1.5 billion.

¹ Such 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 Main Board 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 Such theoretical ex-rights price was the theoretical market price of each Share assuming the completion of the 2020 Rights Issue, and was calculated based on the last transacted price of the Shares on the Main Board of the SGX-ST on 3 June 2020, being the last trading day on which trades were done on the Shares prior to the announcement of the 2020 Rights Issue, which had been S\$0.850, and the number of Shares following the completion of the 2020 Rights Issue.

Use of Proceeds : The estimated net proceeds from the Rights Issue (after deducting estimated expenses of approximately S\$11.0 million to be incurred in connection with the Rights Issue) are expected to be approximately S\$1.5 billion.

The Company intends to utilise the net proceeds from the Rights Issue for working capital and general corporate purposes, including debt servicing.

As at the Latest Practicable Date, the Company intends to use approximately S\$300 million of the net proceeds of the Rights Issue to repay approximately S\$300 million outstanding under a S\$600 million loan facility granted to the Company by DBS Bank Ltd.. Please refer to paragraph 3 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information*” for details.

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.

Eligibility to Participate in the Rights Issue : As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the sections “*Offering, Selling and Transfer Restrictions*” and “*Eligibility of Shareholders to Participate in the Rights Issue*” for details on the eligibility of Shareholders to participate in the Rights Issue.

Listing and Trading of the Rights Shares : On 3 August 2021, the SGX-ST granted approval in-principle for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to certain conditions. The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Rights, the Company, its subsidiaries and/or the Shares.

Upon the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, the Rights Shares will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) in relation to the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP’s “*Terms and Conditions for Operations of Securities Accounts with CDP*”, as the same may be amended from time to time, copies of which are available from CDP.

For the purposes of trading on the Main Board of the SGX-ST, each board lot of Shares will comprise 100 Shares. Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) are able to trade odd lots of Shares in board lots of one Share on the Unit Share Market. Shareholders who hold odd lots of Shares may have difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Shares.

**Acceptance, Excess Application :
and Payment**

Entitled Shareholders are at liberty to accept, decline or renounce their Rights and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Depositors are also able to trade their Rights on the SGX-ST during the Rights trading period prescribed by the SGX-ST.

Fractional entitlements to the Rights Shares will be aggregated with provisional allotments which are not taken up or allotted for any reason to satisfy excess applications for 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.

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots and 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. 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 last in priority for the rounding of odd lots and allotment of Excess Rights Shares. For the avoidance of doubt, only Entitled Shareholders (and not Purchasers or renounees) shall be entitled to apply for Excess Rights Shares in excess of their provisional allotments.

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, are contained in Appendices A, B and C to this Offer Information Statement and in the ARE, the ARS and the PAL.

Use of CPF Funds

: CPFIS Members can only use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their Rights and (if applicable) application for Excess Rights Shares.

Such CPFIS Members who wish to accept their Rights and (if applicable) apply for Excess Rights Shares using their CPF Funds must have sufficient funds in their CPF Investment Accounts and will need to instruct their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions of this Offer Information Statement.

In the case of insufficient CPF Funds or stock limit, CPFIS Members could top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept their Rights and (if applicable) apply for Excess Rights Shares on their behalf.

CPF Funds cannot, however, be used for the purchase of Rights directly from the market.

Use of SRS Funds

- : SRS Investors can only use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the acceptance of their Rights and (if applicable) application for Excess Rights Shares.

Such SRS Investors who wish to accept their Rights and (if applicable) apply for Excess Rights Shares using their SRS monies will need to instruct their respective SRS Approved Banks with whom they hold their SRS accounts, to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement.

SRS Investors who have insufficient funds in their SRS accounts could, subject to the SRS contribution cap, deposit cash into their SRS accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf.

SRS monies cannot, however, be used for the purchase of Rights directly from the market.

Trading of Rights

- : Entitled Depositors who wish to trade all or part of their Rights on the SGX-ST can do so during the Rights trading period prescribed by the SGX-ST.

Entitled Depositors should note that the Rights will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares. Entitled Depositors who wish to trade in lot sizes other than this may do so in the Unit Share Market of the SGX-ST during the Rights trading period.

Undertaking

- : Startree has entered into the Undertaking Agreement, pursuant to which it has irrevocably undertaken to the Company, *inter alia*, to vote in favour of the Rights Issue Resolution, to subscribe for or procure the subscription of its *pro rata* entitlement to the Rights Shares in relation to the Relevant Shares, and to subscribe for or procure the subscription of such number of Excess Rights Shares which, when aggregated to its *pro rata* entitlement to the Rights Shares in relation to the Relevant Shares, represents not more than 67.0 per cent. of the total number of Rights Shares. No commission or fee will be paid to Temasek or Startree in connection with the provision or execution of the Undertaking Agreement.

Please refer to paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*” for further details of the terms of the Undertaking Agreement.

Underwriting : Based on the Rights Issue size of 18,833,459,491 Rights Shares, the Sole Financial Adviser, Manager and Underwriter has agreed to underwrite up to 6,215,041,633 Rights Shares, representing up to 33.0 per cent. of the total number of Rights Shares (which excludes the Undertaken Rights Shares), on and subject to the terms of the Management and Underwriting Agreement.

Please refer to paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*” for further details.

As a result of the entry into the Undertaking Agreement and the Management and Underwriting Agreement, the Company will have certainty of raising the full S\$1.5 billion contemplated from the Rights Issue.

Governing Law : Laws of Singapore.

Risk Factors : Investing in the Rights and the Rights Shares involves risks. Please refer to the section “*Risk Factors*” for further information.

RISK FACTORS

To the best of the Directors' knowledge and belief, the risk factors that are material to prospective investors in making an informed judgment on the Rights Issue are set out below. Prospective investors should carefully consider and evaluate each of the following risks and all other information contained in this Offer Information Statement before making an investment decision. The Group may be affected by a number of risks that may relate to the industry and countries in which the Group operates as well as those that may generally arise from, inter alia, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive. There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations, possibly materially. If any of the following risks and uncertainties develops into actual events, the business, financial conditions or results of operations of the Company and the Group could be materially and adversely affected. In such cases, the trading price of the Rights Shares could decline and a prospective investor may lose all or part of his investment.

This Offer Information Statement contains forward-looking statements that involve risks and uncertainties. See the section "Cautionary Note on Forward-Looking Statements".

Risks Relating to the Group's Business

The Group's business is subject to the state of the industries in which it operates and capital expenditure by its customers.

The Group provides innovative engineering solutions to the global O&M and energy industries, with an increasing focus on renewable and clean energy solutions. The Group's customers include international and state-owned oil majors, independent energy players, offshore wind developers, owners of floating production units, shipping companies and cruise and ferry operators.

In the offshore oil and gas industry, the Group's business and operations will be affected by the level of activities in the exploration, development and production of oil and natural gas. Such activities are in turn dependent on factors such as fluctuations in oil and natural gas prices; changes in capital allocation by customers for offshore oil and gas projects; depletion rates and replacement of oil and gas field reserves; the ability to economically justify commissioning of oil and gas exploration, development and production projects; offshore oil and gas field ocean conditions; specific project requirements; as well as the need to clear all structures from the production site once the oil and gas reserves have been depleted. The prices of oil and natural gas are affected by supply and demand as well as global political and economic factors and may be volatile. This in turn affects the level of capital spending by companies in the offshore oil and gas industry. Low oil and natural gas prices tend to reduce the amount of oil and natural gas that producers can produce economically. When low oil and natural gas prices prevail, major oil and gas companies generally reduce their spending budgets for offshore drilling, exploration and development.

In the offshore wind industry, changes in capital spending by customers are driven primarily by two key factors:

- Government targets for offshore wind power generation and related industry incentives, which are usually influenced by the state of global warming, progress of global decarbonisation efforts and climate change advocacy; and
- Lifecycle cost competitiveness of offshore wind projects compared to other forms of energy generation. As offshore wind projects become larger from mainly bigger turbines delivering greater energy output and bigger industrial scale windfarms, its levelised cost of energy ("LCOE") is expected to fall correspondingly. Rising cost competitiveness of offshore wind projects is expected to lead to higher project commissioning.

Should there be any reduction in climate change advocacy, this may result in less ambitious government offshore wind power generation targets and incentives. The LCOE reductions may also occur at a faster pace for other renewable energy types, including onshore wind, solar, hydro, geothermal and tidal, compared to offshore wind. Such events may result in reduced capital spending by customers towards offshore wind projects and therefore slower growth.

The Group will also be affected by the pace of global energy transition. A much faster accelerated global transition, with tighter climate change policies and faster electrification and adoption of lower or no emission energy alternatives, including renewables, hydrogen, carbon capture and storage and biofuels, is likely to be challenging to implement and co-ordinate on a global basis, with varying rates of transition globally. An accelerated global energy transition may cause the oil and gas demand consumption to peak, resulting in sooner than expected decline in exploration, development and production investments. This is likely to be replaced by non-fossil fuels with low carbon or new energy investments. The Group expects oil and gas to remain as significant energy sources in the medium term, though with slower growth or at early stage of decline. Should climate change advocacy and energy transition occur at a much faster pace than expected, the Group may not have adequate lead time to sufficiently develop and commercialise other low carbon or new energy solutions beyond offshore wind. The Group's competitors may be able to establish an earlier market presence and potentially capture larger market shares.

The Group's customers are also affected by the laws, regulations, policies and directives relating to, among others, energy, investment and taxation promulgated by the governmental authorities of countries from which they will need to obtain licences to engage in the exploration, development and production of oil and natural gas. The demand for the Group's products and services and the potential for growth of its business will be affected if its customers cannot obtain the necessary licences to engage in exploration, development and production activities in the relevant areas or if such licences are revoked. Any decline in the level of activity in the offshore oil and gas industry will result in a decrease in demand for the Group's products and services for Gas Value Chain, Process and Advanced Drilling Rigs, and Repair and Upgrade Services.

In the event of a reduction in the level of activity in the industries in which the Group operates as a result of any changes in capital spending by the industry or otherwise, the Group's operating results, business, financial condition, performance and/or prospects may be adversely affected.

The global O&M industry has seen a prolonged and severe downturn since 2015 due to a collapse in oil prices and major structural changes in the energy industry. Accordingly, overall business volume and activity for the Group's business has remained low, while competition continues to be intense. The Group's financial performance has been affected, resulting in pre-tax losses of S\$101 million in FY2018, S\$177 million in FY2019 and S\$671 million in FY2020. The Group also recorded a substantial net loss attributable to owners of the Company of S\$647 million for 1H2021.

It is difficult to predict how long these conditions will persist and how the Group's related markets, products, services and businesses will be adversely affected. Accordingly, these conditions could cause a decrease in demand for the Group's products and services, thereby adversely affecting the Group's earnings, which may result in a material adverse effect on the Group's business, results of operations, financial condition and prospects.

There is intense competition and possible new competitors in the market segments in which the Group operates.

The O&M industry in which the Group operates is highly competitive, and the Group faces competition from other local and international shipyards which offer repair and O&M engineering products and services. The Group expects to face increased competition from existing competitors and any new entrants into the O&M market in the future. Competitive factors include price, quality and/or scope of products and services offered by other shipyards and engineering services providers and the availability of favourable payment and credit terms. Some of the Group's competitors may have larger facilities with readily available labour force and longer track record in particular business segments and/or have greater financial, technical, marketing and other resources and could therefore be in a better position to expand their business and market share.

The Group has in recent years diversified into new product segments such as clean energy solutions, provision of newbuilding floating production, storage and offloading vessels and other specialised vessels. For example, the Group delivered the largest heavy-lift crane semi-submersible to the Heerema Group in 2019. The Group has successfully completed the fabrication of the Offshore Substation and Reactive Compensation Station for Ørsted Wind Power. Both substations have since set sail on 15 August 2021 for Hornsea 2 Offshore Wind Farm, located in the North Sea.

The Group aims to provide innovative solutions across the offshore, marine and energy value chains. However, as a relatively new player in such business segments, the Group faces strong competition from more established incumbents.

The Group's competitors may also engage in aggressive pricing which could result in the Group having to lower its price or improve credit terms significantly in order to secure contracts, thereby lowering its profit margins and cash flow. The Group faces similar competitive factors in its Repair and Upgrades Services business. If the Group fails to compete successfully against existing competitors and/or new entrants, or if its ventures into new product segments are hampered by intense competition, its operating results, business, financial condition, performance and/or prospects may be adversely affected.

The Group is affected by external environment risks, including pandemics such as the COVID-19 pandemic.

Volatile and uncertain economic conditions have become the new 'normal' for businesses operating in the global market. This is no exception for the Group, which has established an international network of shipyards. Other external risks include those relating to commodity market volatilities; global trade and economy; stability of the global financial and banking systems; foreign exchange fluctuations; political risks; regulatory landscape; and natural disasters and pandemics.

In particular, the outbreak of COVID-19 since end-2019 has spread globally and triggered a global economic contraction, causing disruptions in demand and supply chains. The number of reported COVID-19 cases worldwide and COVID-19 associated deaths have significantly exceeded those observed during the Severe Acute Respiratory Syndrome ("SARS") epidemic that occurred in 2002 and 2003 and have resulted in a more severe health crisis than that observed during the SARS epidemic. Since the declaration by the World Health Organisation on 11 March 2020 of the COVID-19 outbreak as a pandemic, the COVID-19 outbreak has impacted on domestic, regional and global economies in multiple ways. Governments around the world have introduced measures designed to slow the spread of the virus, including strict border controls and travel restrictions and ordering residents to stay at home with a limited range of exceptions. Recovery from the pandemic has been hampered by the evolution of different strains of the COVID-19 virus and the lack of sufficient vaccinations of the population requiring restrictive measures taken by various governments.

The Group continues to face supply chain constraints and shortages of skilled workers as a result of COVID-19 and COVID-19 related measures. Many of the Group's foreign workers who left Singapore for home leave over the past year could not return due to ongoing border controls in countries such as India and Bangladesh. The improving Singapore economy also led to increased competition for foreign labour already in Singapore, resulting in attrition of the Group's labour to competing industries. The re-introduction of COVID-19 measures in Singapore in May 2021, including tighter border controls and Phase 2 (Heightened Alert) restrictions, has exacerbated the shortages of skilled manpower. The Group's current staff strength has fallen below desired levels for the volume of work in hand. As such, the Group has been actively recruiting additional skilled labour from alternative sources in order to complete its projects with minimum further delays. On average, recruitment from alternative sources costs more than twice that from the sources the Group used to recruit from, due to higher wages and costly upfront COVID-19 related recruitment costs.

Since the onset of the COVID-19 pandemic in 2020, the majority of the Group's projects have been delayed by at least 12 months. The shortages of skilled workers have further delayed the completion of projects. Arising from the delays in project execution, additional costs would be incurred due to work re-scheduling, extra sub-contract work, additional material usage and other staff turnover related costs.

The Company is working closely with the authorities and its customers to manage the hiring of additional workers and reschedule the execution of existing projects. There is no assurance that the Singapore government will not maintain or further impose stricter COVID-19 measures, such as “circuit breaker” measures, which may affect the hiring of additional workers and the timely completion of existing projects.

The COVID-19 outbreak could become even more severe, which may in turn result in protracted volatility in international markets and/or result in a prolonged global economic recession as a consequence of continued widespread disruption to, among others, manufacturing supply chains; imposition of quarantines; and prolonged closures of workplaces. The COVID-19 outbreak may result in reduced business volume and activities in the oil and gas industry or the renewable energy industry. Any decline in the level of activities in the relevant industries resulting in a decrease in demand for the Group’s products and services could adversely affect the Group’s operating results, business, financial condition, performance and/or prospects.

Uncertainty about the effects of the COVID-19 pandemic has resulted in significant disruption to capital and securities markets, which, if it continues, may adversely affect the Group’s ability to raise new capital and refinance its existing debt.

In addition, the Group may face delays associated with the collection of receivables from its customers as a result of such restrictions or economic slowdown caused by the COVID-19 pandemic which may adversely affect the Group’s cash flows.

External risks have far-reaching impacts which affect the Group and its customers, suppliers, vendors and other business partners. Full protection against risks of such nature is not practicably achievable. Any of the aforementioned factors, if materialised, may have a material adverse effect on the Group’s operating results, business, financial condition, performance and/or prospects.

The Group’s business is capital intensive and may require additional financing in the future for new businesses. The Group assumes risks associated with undertaking new businesses.

The expansion and development of the Group’s business may require significant additional capital. In particular, substantial additional funds are required if it wishes to expand or add new manufacturing facilities to undertake new businesses. Significant time and efforts are required for project co-development with potential customers before new orders can be secured, and while a majority of the Group’s ongoing contracts and new orders secured are on progressive payment terms, future new orders may have increased working capital needs. Due to changing business models and constrained capital availability, new orders may provide for payment terms less favourable to the Group, such as allowing the customer to pay a larger proportion of the contract price at the back-end, resulting in the Group having to incur more working capital during the construction stage.

Since 2015, the Group has embarked on a strategic business transformation to rebalance its product solutions portfolio, underpinned by its operational and technology strengths. As part of its strategic transformation, the Group has made progress in the renewable and clean energy segment. For example, in March 2021, the Group has, together with its partner GE Renewable Energy’s Grid Solutions, been awarded a contract for the supply of the HVDC electrical transmission system for RWE Renewables’ 1.4 gigawatt Sofia Offshore Wind Farm.

The Group will continue to further diversify its business portfolio from drilling-focused activities and extend into new areas of renewable energy, electrification, gas value chain, ocean living, as well as carbon capture and storage solutions.

With the transition into new business areas, the Group may be less able to control cost overruns for new projects which it does not have prior experience in undertaking and incur additional costs in developing its capabilities and know-how. The terms of contract for such new businesses may be more stringent than current terms and require the Group to take on more responsibilities and/or risks.

The Group may, from time to time, obtain additional capital through debt and/or equity financing to fund its future capital expenditures. Additional debt financing, if obtained, may expose the Group to the covenants imposed by financial institutions or lenders. These covenants may include, among others, restrictions on payment of dividends or requirements to dedicate a substantial portion of its cash flow

from operations to the payment of its debt. These restrictions may reduce the availability of the Group's cash flow to fund capital expenditures, working capital and other general corporate purposes and limit its flexibility in planning for, or reacting to, changes in its business and industry.

As a result of the capital-intensive nature of the Group's business, the Group has had and may continue to have a significant amount of borrowings. The Group's ability to service these debts and other contractual obligations will depend on future operations and cash flow generation. In addition, the Group cannot ensure that its profitability and ability to generate positive cash flows will be achieved or that it will not incur losses after its capital investment due to, among other things, a potential increase in its operating and financing costs incurred to finance the Group's growth and expansion or lower than expected increase in revenue. Any increase in operating and financing costs without a corresponding increase in revenue will have a negative impact on the Group's operating results. In the event that any of the above materialise, the Group's operating results, business, financial condition, performance and/or prospects will be adversely affected.

The Group may not be successful in implementing its future plans.

The Group's future plans involve numerous uncertainties and risks. These include but are not limited to (i) the Group successfully entering into and developing new segments of the market to expand and diversify the business of the Group, and (ii) the Group's acquisition of new technology and investments in new facilities to provide the Group with new opportunities and better operating efficiency. Such plans may require substantial capital expenditure, the recurrence of working capital requirements, execution of complex projects, and additional financial resources and commitments.

There is no assurance that these plans will achieve the expected results or outcome so as to generate an increase in revenue that will be commensurate with the Group's investment costs, or the ability to generate any cost savings, operational efficiencies and/or productivity improvements to its operations. In the event that the investments do not generate new projects and cash flow as expected, the value of the investments would be lower and may require impairments to be recognised by the Group.

Since 2016, the Group has been (a) proactively diversifying and expanding into new and existing markets by acquiring technology companies to enhance its suite of offerings to customers, and has also been (b) strengthening its yard capabilities by improving the facilities in its Tuas Boulevard Yard to provide solutions which will be more cost effective and efficient for its customers. To support this, the Group had tapped on debt financing. However, 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 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.

If (a) the results or outcomes of the Group's plans do not meet its expectations, (b) the Group fails to achieve a sufficient level of revenue or (c) the Group fails to manage its costs efficiently, the Group will not be able to recover its investments and its operating results, business, financial condition, performance and/or prospects would be adversely affected.

The Group may not be able to successfully integrate or achieve synergies from its investments or mergers and acquisitions, and may be exposed to contingent liabilities relating to the businesses it merges with or acquires.

The Group has made a number of strategic acquisitions and investments. For example, in September 2018, the Group expanded its design and engineering solutions platform by completing the acquisition of, among others, the interests and titles to all of Sevan Marine ASA's intellectual property and 100% equity interest in HiLoad LNG AS (a subsidiary of Sevan Marine ASA which held certain intellectual property rights).

On 24 June 2021, the Company announced that it had entered into a non-binding MOU with KCL to enter into exclusive negotiations to explore the Potential Combination of the Company and KOM, a subsidiary of KCL. The Potential Combination envisages, subject to due diligence and further negotiation, a combination of the entire operating business of KOM (excluding legacy rig assets and associated receivables) with the Company to create a stronger Combined Entity. The Company believes

that if completed, the Potential Combination would create a stronger single entity to seize the growing opportunities especially in the renewable and clean energy sectors. The Combined Entity would be better positioned to compete for larger contracts, whilst pursuing synergies that can arise from the increased operational scale and broader geographic footprint. There is no certainty that parties would come to an agreement on the Potential Combination, nor the completion of the Potential Combination. Even if the transaction is completed, there is no certainty that the expected results would materialise.

Integration of the acquired companies or businesses acquired or combined is important for coordinated and sustainable growth of the Group's business, but there is no assurance that the Group will be able to do so successfully. The Group may encounter a number of challenges in seeking to integrate the companies or businesses it acquires, including but not limited to difficulties arising from expanding into new areas and territories, for example, having to deal with unfamiliar government authorities, laws and regulations; the loss of customers of the targets following any acquisition; the diversion of attention of both the Group's management and the management of the target from existing businesses; difficulties arising from coordinating and consolidating corporate and administrative functions, including the integration of internal controls and procedures such as timely financial reporting; and unforeseen legal, regulatory, contractual, labour or other issues.

Integration of businesses from mergers and acquisitions activities may also take significant time. If the Group is unable to successfully integrate its acquisitions or realise anticipated synergies or economic, operational and other benefits from its acquisitions or investments in a timely manner or at all, the Group could incur substantial costs and delays or other operational, technical or financial problems, and its business, financial condition, results of operations, cash flows and prospects could be materially and adversely affected.

Businesses, assets and companies that the Group acquires may also expose the Group to associated unknown or contingent liabilities, such as liabilities for past failures to comply with laws and regulations, and the Group may become liable for the past activities of such businesses. There is no assurance that every risk associated with the businesses, assets or companies that the Group acquires can be identified through due diligence exercises, and the failure to do so may have a material and adverse effect on the Group's operating results, business, financial condition, performance and/or prospects.

The achievement of the Group's objectives and strategies depends significantly on its key employees.

The achievement of the Group's objectives and strategies depends significantly on its key employees. The Group constantly seeks to attract new talent as well as train and retain key employees. There are comprehensive human resource policies for recruitment, compensation and development in place. However, these are mitigating measures, and they neither guarantee that the right talent will join the Group nor stem the outflow of key personnel.

The supply of skilled workers is also subject to demand and supply conditions in the labour market as well as the local and foreign government labour regulations. In particular, as described in the section "Risk Factors – Risks Relating to the Group's Business – The Company is subject to liquidity risks", the Group is actively sourcing for skilled workers and faces competition in its recruitment given the acute shortage of skilled workers across industries in Singapore. These shortages could impair the timelines and quality of the Group's work and create upward pressure on personnel cost, which may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The contracts in the order backlog of the Group may be adjusted, cancelled or suspended and, therefore, the order backlog is not necessarily indicative of future operating revenues of the Group.

As at 30 June 2021, the Group's net order book backlog totalled S\$1.78 billion. The Group's order backlog represents the contracted future revenue under current contracts. However, the operating revenues included in the order backlog are based on estimates. There can be no assurance that the order backlog will actually be realised as revenues in the amounts reported or, if realised, will result in profits, and the Group's order backlog may be adjusted up or down.

In accordance with industry practice, substantially all of the contracts entered into by the Group are subject to cancellation, termination or suspension at the discretion of the customer and other conditions beyond the control of the Group. In addition, many of the contracts in the current order backlog of the Group are subject to changes in the scope of services to be provided as well as adjustments to the costs relating to the contracts. For example, the contracts in the order backlog of the Group are subject to a customer's termination right for convenience, or for *force majeure*, or for breach of contract (for example, as a result of certain delays or other failures to perform in accordance with the terms of the contract). Projects can remain in the order backlog for extended periods of time because of the nature of the project and the timing of the particular services required by the project. The risk of contracts in the Group's order backlog being cancelled or suspended generally increases during periods of widespread economic slowdown. As at the Latest Practicable Date, there has been no cancellation of any of the Group's existing projects, but the labour shortage has resulted in project delays, revenue deferrals and increased risk of terminations. Any cancellation, termination or suspension of the Group's contracts could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group faces project management and execution risks.

The Group's core business revolves around the projects in its order book. Risks can arise throughout the entire project management and execution process, from tendering to contract negotiation and, upon award, the execution of engineering, procurement, construction, commissioning and delivery. Projects based on new designs may entail higher risks. Third party risks in the form of non- or poor performance of contractors, suppliers or vendors could affect the Group's ability to execute its projects as planned, thereby causing delays. This could happen when substitute manufacturers are limited, especially for specialised equipment. As described in the section "*Risk Factors – Risks Relating to the Group's Business – The Group is affected by external environment risks, including pandemics such as the COVID-19 pandemic*", the Group's project executions may also be affected by external risks including pandemics such as the COVID-19 pandemic.

The Group has been contracted for a number of projects on a lump sum-price basis. Some of the risks associated with such projects include:

- construction and project management risks associated with execution of projects and maintenance of operations, including risks relating to the execution of engineering, procurement, construction commissioning and delivery of a project;
- cost overruns associated with fixed-price contracts with limited price escalation provisions, where the Group bears all, or at least a portion of, increases in costs. In particular, where the Group ventures into new business segments for the first time, it may be less able to control cost overruns for new projects which it does not have prior experience in undertaking;
- delay in meeting delivery performance requirements of contracts which may result in potential liquidated damages, penalties, refunds or damages or even termination of the contracts; and
- inability to obtain compensation for additional work the Group performs or expenses the Group incurs as a result of customers changing orders or faulty equipment or materials.

These risks may result in reduced profitability or losses on projects, which in turn may materially and adversely affect the Group's operating results, business, financial condition, performance and/or prospects.

The Group is subject to third party risks in respect of the contractors, suppliers and vendors of its projects.

The Group engages third party contractors, suppliers and vendors for the engineering design, procurement of materials, equipment, and services for the performance of work on the Group's projects. The successful completion of these projects depends on the ability of these contractors, suppliers and vendors to perform their contractual obligations and is subject to factors beyond the Company's control, including actions or omissions by these parties and their sub-contractors.

Any non-performance by, or a failure of, such third parties to perform their contractual obligations to a satisfactory standard could result in delays to the planned project timelines, which could in turn result in late penalties or fines being imposed on the Group. For example, in April 2020 when the Singapore government imposed its COVID-19 “circuit breaker” measures, in particular movement restrictions that disallowed migrant workers from leaving their dormitories for work, there was a substantial reduction in the Group’s operating yard workforce (including the workforce of sub-contractors). The Group’s Singapore yards had to stand down and discontinue production activities, resulting in delays to project executions. With the lifting of some COVID-19 measures in Singapore in June 2020, the Company resumed yard operations in July 2020 progressively.

The Group continues to face COVID-19 supply chain constraints and shortages of skilled workers, which has led to further delays in project completions. Where delays occur, the Group may also face difficulties in sourcing other third party alternatives, especially where the project requires specialised labour or equipment. Any setbacks or delays in construction, delivery of equipment or supplies or any problems relating to the work performed by the third party contractors, suppliers and vendors could also result in unforeseen construction costs or budget overruns. There is no assurance that such risks will not materialise in the future, the occurrence of which could have a material adverse effect on the Group’s operating results, business, financial condition, performance and/or prospects.

The Company is subject to liquidity risks.

Liquidity risks may adversely affect the Group’s net operating cash flow and level of cash and cash equivalents, thereby causing it to be unable to meet its financial obligations. Working capital requirements may be adversely affected due to the effects of fluctuations in cash flow and operating environment.

Since the onset of the COVID-19 pandemic, a majority of the Group’s projects have been delayed by at least 12 months. Deferral of cash collections from projects will impact the near-term liquidity position of the Group. Many customers of the Group’s newbuild vessels and offshore structures have negotiated deferred deliveries in light of the COVID-19 impact. In June 2021, the Group entered into amendment agreements with Transocean to reschedule the delivery of two drillship construction contracts, which resulted in the deferral of cash collection of approximately S\$610 million during FY2021 and FY2022 to FY2023 and beyond. Such deferments have impacted the Group’s near-term working capital position and a tightening of funding support from the Group’s lenders.

The Group is actively sourcing for skilled workers and faces competition in its recruitment given the acute shortage of skilled workers across industries in Singapore. The Group has been exploring alternative sources for skilled workers, which will result in increased manpower and other related costs for some of its ongoing projects. On average, recruitment from alternative sources costs more than twice that from the sources the Group used to recruit from. The Group also expects to incur additional costs due to work re-scheduling, extra sub-contract work, additional material usage and other staff turnover related costs.

These developments have impacted the Company’s operating cash flows and financial situation. The Company has taken steps to right-size its resources in response to the business outlook and deferred all non-essential capital expenditure. However, these measures will not be sufficient. The Company’s cash flow and liquidity position continue to be impacted by the ongoing labour shortages and supply chain constraints.

As at 30 June 2021, the Group had approximately S\$3.6 billion equivalent of total borrowings including approximately S\$1.6 billion equivalent which is repayable within 12 months. Overall, the Group is in a net debt position. The challenging business conditions have created increasing pressure on the Group in refinancing its existing maturing debt facilities. Obtaining additional debt financing from lenders is unlikely to be available nor sufficient to meet the Group’s funding needs. As a result, the Group expects an increasing need to repay more debt upon their maturity over the next 18 months, which may further strain its liquidity position. In addition, since February 2020, the COVID-19 outbreak has caused stock markets worldwide to lose significant value and impacted economic activities in Asia and worldwide. Uncertainty about the effects of the COVID-19 pandemic has resulted in significant disruption to capital and securities markets, which, if it continues, may adversely affect the Group’s ability to raise new capital and refinance its existing debt. The Company urgently needs to recapitalise, address liquidity requirements, and strengthen its balance sheet. In the absence of a recapitalisation, the Group will face challenges to continue operating as a going concern.

The Group has previously incurred losses in its results of operations.

The Group has been in a net loss position for the last few years and recorded a net loss attributable to owners of the Company of S\$647 million for 1H2021, with losses set to continue through to FY2021.

There is no assurance that the Group will successfully develop and implement its business strategy or that it will successfully address the risks that its business faces.

If the Group is unable to generate sufficient cash flow and capital resources to satisfy its debt obligations or other liquidity needs, it may have to undertake alternative financing plans, such as refinancing or restructuring debt, reducing or delaying capital investments or seeking to raise additional capital. There is no assurance that any refinancing would be possible, or that the Group could obtain additional financing on acceptable terms, or at all.

The Group might also be required to dispose of material assets or operations to meet its debt service and other obligations. The Group may not be able to consummate those disposals or to utilise the proceeds from any such disposal and/or these proceeds may not be adequate to meet any debt service obligations then due. The Group's inability to generate sufficient cash flows to satisfy its debt service obligations, or to refinance its indebtedness on commercially reasonable terms and in a timely manner, could have a material adverse effect on its operating results, business, financial condition, performance and/or prospects.

In addition, as the Group has previously incurred losses in its results of operations, the Group may face resistance from customers when it tenders for projects and may need additional security to secure awards of contracts in light of its financial performance. With the lower revenue, the Group may also find attraction and retention of talents and suitable skilled workforce more difficult, resulting in lower efficiency and productivity. This may result in higher costs and delays in deliveries, which could have a material adverse effect on its operating results, business, financial condition, performance and/or prospects.

The Group's leverage exposes it to various risks, including reducing available cash flow and the need to comply with restrictive covenants that may, among others, inhibit its ability to incur more debt or pay dividends.

The extent of leverage may expose the Group to various risks, including increasing its vulnerability to downturns or adverse changes in general economic, industry or competitive conditions and government regulations and requiring a substantial portion of its cash flows from operations to be dedicated to the payment of principal and interest on the Group's indebtedness, therefore reducing its ability to use its cash flows to fund its operations, capital expenditures and future business opportunities.

If the Group's cash flows and capital resources are insufficient to fund its debt service obligations or if the Group is unable to refinance its indebtedness, the Group may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure its indebtedness. These alternative measures may not be successful and may not permit the Group to meet its scheduled debt service obligations.

As at 30 June 2021, approximately 50.6 per cent. of the Group's outstanding debt was subject to interest payments based on variable or floating rates. The Group partially hedges its exposure to floating interest rate risks, however, a rising interest rate environment or failure to effectively manage its interest rate risks could result in increased debt service costs and may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's ability to incur additional indebtedness in the future is also constrained by covenants in its borrowings. Under the Group's existing bank and other financing facilities, the Group is required to satisfy and maintain specified financial ratios. These financial covenants require, among other things, that the Group maintain certain maximum gearing ratios. The Group's ability to meet those financial ratios may be affected by events beyond its control, and there can be no assurance that the Group will be able to meet those ratios at all times. There are also other covenants in the Group's existing bank and other financing facilities, such as those relating to enforcement of security provided by the Group, or litigation, and there is no assurance that the Group is or will continue to be in compliance with all such covenants.

Any breach of the Group's financial or other covenants under the Group's bank and other financing facilities would trigger events of default under its other debt agreements that could further result in acceleration under the debt agreements that contain cross-acceleration or cross-default provisions, and the Group may consequently be required to repurchase or repay a significant amount of its borrowings prior to their due date. Upon the occurrence of an event of default under the Group's banking and other financing facilities, the lenders thereunder could elect to declare all amounts outstanding under such facilities to be immediately due and payable and terminate all commitments to extend further credit. If the Group is unable to repay those amounts, the lenders could proceed against any collateral granted by the Group to secure such indebtedness. The Company has provided guarantees for, among others, certain of the credit facilities. If any of the Group's lenders accelerates the repayment of borrowings, there can be no assurance that there will be sufficient assets to repay them and the Group's other indebtedness. Such events of default under the Group's other debt agreements could also result in an event of default under the terms and conditions of the debt securities issued by the Group, and may additionally impact the Group's ability to secure new businesses.

Further, the Group's ability to refinance its borrowings and to raise new borrowings, and the cost of such borrowings, are dependent on numerous factors, including general economic conditions, currency exchange and interest rates, credit availability from banks or other lenders, and its credit standing and financial and operational performance. There is no assurance that the Group will be able to refinance or raise additional borrowings on terms acceptable to the Group, and in such event this could have a material adverse effect on its operating results, business, financial condition, performance and/or prospects.

The Group is exposed to credit risks and risks arising from credit terms extended to its customers.

Credit risks arise mainly from sales to customers. The Group manages credit risks of customers through a stringent credit evaluation process and regular monitoring thereafter, and on an aggregate basis by including all existing relationships with a particular customer or related entities of the same corporate organisation.

The Group is exposed to credit risks due to inherent uncertainties in its customers' business environment. These include political, social, legal, economic and foreign exchange risks, as well as those arising from unanticipated events or circumstances. There is no assurance in relation to the timeliness of payments of the Group's customers, whether such customers will be able to fulfil their payment obligations on time or at all, and whether such non-fulfilment of payment obligations will ultimately result in a termination of relevant contracts.

In the current market, shipyards are expected to provide extended credit terms for their projects to customers. Where the payment terms of the contract allow the customer to pay a larger proportion of the contract price at the back-end or post delivery, the Group would have to incur more working capital during the earlier construction stage, with no assurance that the customer would be able to take delivery and pay the balance of the contract price upon completion of construction.

Should the Group's customers be unable to meet their payment obligations to the Group in a timely fashion or at all, the financial performance of the Group may be adversely affected. Such events may also result in disputes, litigation or arbitration with customers, and potential renegotiation of contracts, which could result in the Group incurring additional costs and a diversion of management attention from the Group's day-to-day operations.

For example, in 2012, the Group secured seven drillship contracts from Sete Group with a total contract value of US\$5.6 billion. The Group received approximately S\$2.7 billion in progressive payments for the work performed on these projects, up until November 2014 when Sete Group was unable to continue with the payments. The Group ceased construction work on all the drillship units and focused instead on preserving the value of the work-in-progress, and made provision of S\$329 million for the Sete Group contracts. The Group initiated arbitration proceedings against various subsidiaries of Sete Brasil to safeguard its interests under the Sete Group contracts, and the disputes were only finally resolved in February 2020.

There is also no assurance that the outcome of such disputes or litigation would be in favour of the Group or that the amount of damages that may be awarded will be adequate to cover any consequential losses suffered by the Group, or that the renegotiation of contracts will not place the Group in a position that is equal or worse than that of the original contract.

The Group is exposed to foreign currency risks.

The Group incurs foreign currency risk on sales and purchases that are denominated in currencies other than the Singapore dollar, primarily the United States dollar and the Euro. The currencies of its revenues may not match the currencies of its operating costs. As a consequence, there is a risk that changes in exchange rates could have a significant negative effect on the reported results of the Group.

Furthermore, fluctuations in exchange rates may weaken the competitiveness of the Group's shipyards vis-à-vis its competitors in other countries. The prices and/or costs of the Group's competitors may become lower due to fluctuations in exchange rates working in their favour. In particular, due to the greater international scope of the Group's operations compared to some of its competitors, the Group may be exposed to a higher foreign currency risk than other companies.

In addition, as the operations and assets of the Group are located in various countries, exchange rate fluctuations could have a significant negative effect on its financial statements. There is no assurance that exchange rate fluctuations will not have a material negative effect on the financial condition or results of operations of the Group.

The Group enters into forward exchange contracts to hedge against such risks. However, there is no assurance that the Group will be able to hedge fully and effectively against its foreign currency exposure through such arrangements, which in turn could adversely affect the Group's operating results, business, financial condition, performance and/or prospects.

The Group is subject to international and local environmental and safety regulations and risks.

The Group's operations are subject to various international and local environmental protection and safety laws and regulations. Such laws and regulations are becoming increasingly complex and stringent and compliance may become increasingly difficult and costly.

Furthermore, some of these environmental laws and regulations may expose the Group to liability for the conduct of or conditions caused by others, or for its own acts, even if such acts had complied with all applicable laws at the time of performance. For instance, the Group may be required to pay significant fines and penalties for non-compliance. Some environmental laws impose joint and several "strict liability" for cleaning up spills and releases of oil and hazardous substances, regardless of whether the Group was negligent or at fault.

Environmental protection laws and regulations may also have the effect of curtailing offshore exploration, development and production activities by the Group's customers. This would reduce the demand for the Group's products and services, which would have an adverse impact on its operating results, business, financial condition, performance and/or prospects.

The Group is subject to political and other risks in the countries in which it operates.

The Group has operations in, among others, Singapore, Indonesia, the United Kingdom, Malaysia, Norway and Brazil.

The risk profile of the Group will therefore encompass the risks involved in each of these countries which include emerging market countries. Such risks include those relating to governance (such as institutions, laws, policies and corruption); infrastructure (such as banking, utilities, transport, industrial, logistics and communication); political, economic and social stability; and labour.

The businesses, performance and prospects of the Group may be adversely affected by any of such risks.

Changes in laws, such as the imposition of restrictions on foreign ownership or repatriation of earnings, could also have a negative effect on the ability of the Group to continue operations in these countries or to earn a profit from its operations in these countries.

In addition, wars, unsettled political conditions, social unrest, riots, terrorist attacks and government actions such as possible seizure of properties in countries where the Group currently operates or may in the future operate, may affect its ability to provide products and services for its customers in such countries. Such developments may also affect the ability of the Group's customers to meet their payment obligations to the Group and increase insurance premiums for the Group's operations. If such risks develop into actual events, the Group's operating results, business, financial condition, performance and/or prospects may be adversely affected.

The Group is subject to laws, government regulations and policies governing its operations and is required to obtain the relevant government permits, licences and approvals.

The Group's operations are subject to the relevant laws, regulations and government policies governing its operations and the Group is required to obtain the necessary government permits, licences and approvals to conduct its operations. In the event that the Group is unable at any time to comply with the existing laws and regulations to which it is subject or there are any changes in such laws and regulations, or any new regulations are introduced by local or international bodies that curtail or prevent the Group's operations, its business, results of operations, financial condition and prospects may be adversely affected as a result. In addition, any change in existing laws or regulations or introduction of new laws or regulations which the Group is subject to may increase its costs of operations, including compliance costs, and may also increase the Group's liabilities, including liabilities incurred by businesses prior to the acquisition of such businesses by a member of the Group. The occurrence of any of these events may have an adverse effect on the Group's profitability.

Authorities in jurisdictions in which the Group operates may impose onerous licensing or statutory requirements. If the Group fails to obtain the relevant permits, licences and approvals or comply with statutory requirements, it may be forced to cease all or part of its operations in these jurisdictions which may adversely affect the results of its operations, financial performance and financial position. There can be no assurance that the Group will receive the necessary permits, licences and approvals in a timely fashion or at all or that such permits, licences or approvals will not contain onerous restrictions or conditions.

There is no assurance that the governments of the countries in which the Group operates will not postpone or review projects or will not make any changes to government policies, in each case which could adversely affect the Group's operating results, business, financial condition, performance and/or prospects.

The interpretation and application of laws and regulations in the jurisdictions in which the Group operates may involve uncertainty.

The courts in certain of the jurisdictions in which the Group operates may offer less certainty as to the judicial outcome or a more protracted judicial process than is the case in more established jurisdictions. Businesses can become involved in lengthy court cases over simple issues when rulings are not clearly defined, and the poor drafting of laws and excessive delays in the legal process for resolving issues or disputes compound such problems. Accordingly, the Group could face risks such as (i) effective legal redress in the courts of such jurisdictions being more difficult to obtain, whether in respect of a breach of law or regulation, or in an ownership dispute, (ii) a higher degree of discretion on the part of governmental authorities and therefore less certainty, (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations, (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions, or (v) relative inexperience or unpredictability of the judiciary and courts in such matters.

Enforcement of laws in some of the jurisdictions in which the Group operates may depend on and be subject to the interpretation placed upon such laws by the relevant local authority, and such authority may adopt an interpretation of an aspect of local law which differs from the advice that has been given to the Group by local lawyers or even previously by the relevant local authority itself. Furthermore, there may

be limited or no relevant case law providing guidance on how courts would interpret such laws and the application of such laws to the Group's contracts, joint operations, licences, licence applications or other arrangements.

There can be no assurance that unfavourable interpretation or application of the laws in the jurisdictions in which the Group operates will not adversely affect the Group's contracts, tax liabilities, operations, licences, licence applications or other legal arrangements. In certain jurisdictions, the commitment of local businesses, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be less certain and more susceptible to revision or cancellation, and legal redress may be uncertain or delayed. If the existing body of laws and regulations in the countries in which the Group operates are interpreted or applied, or relevant discretions exercised, in an inconsistent manner by the courts or applicable regulatory bodies, this could result in ambiguities, inconsistencies and anomalies in the enforcement of such laws and regulations, which in turn could hinder the Group's long-term planning efforts and may create uncertainties in the Group's operating environment, and may adversely affect the Group's business, results of operations, financial condition and prospects. Please also refer to the section "*Risk Factors – Risks Relating to the Group's Business – The Group may be involved in legal and other proceedings from time to time*".

The Group is subject to changes in the tax rules or interpretations by the local tax authorities in the jurisdictions that the Group operates.

The Group's operations in, among others, Singapore, Indonesia, the United Kingdom, Malaysia, Norway and Brazil, are subject to the laws, regulations and policies of the various jurisdictions, including routine and special audits by the local tax authorities. Changes in the tax rules or interpretations by the local tax authorities in relation to the Group's operations (which may or may not have retrospective effect) may have a significant impact on the Group's tax exposure. There is no assurance that a tax position adopted (with or without a tax opinion) will not be successfully challenged by the tax authorities in Singapore, Indonesia, the United Kingdom, Malaysia, Norway and Brazil or other jurisdictions in which the Group may operate. In such an event, the Group may be exposed to tax liabilities such as underpaid tax as well as penalties, which may adversely affect the Group's operating results, business, financial condition, performance and/or prospects.

The Group may be involved in legal and other proceedings from time to time.

The Group operates in many countries. This means the Group, from time to time, is confronted with complex legal and regulatory requirements and judicial systems in many jurisdictions. From time to time, the Group may be involved in disputes with various parties including, but not limited to, its contractors, sub-contractors, consultants, suppliers, purchasers and joint venture partners. These disputes may lead to legal and other proceedings, and may cause the Group to suffer additional costs and delays in its operations. Please also refer to the section "*Risk Factors – Risks Relating to the Group's Business – The Group is exposed to potential liability arising from any damage, injury or death resulting from accidents or other causes*".

In addition, the Group may have disagreements with regulatory bodies in the course of its operations or may be investigated by regulatory bodies, which may subject it to administrative proceedings, unfavourable orders, directives, decrees or sanctions such as fines or other penalties that may adversely affect the Group's operating results, business, financial condition, performance and/or prospects.

For example, the Brazilian Public Prosecutors filed a complaint before the Electoral Courts in Aracruz, Espírito Santo, against the Company's subsidiary in Brazil, EJA, in 2015 alleging that political donations were made in 2014 (in total BRL1.75 million or equivalent to approximately S\$470,000 as at June 2021) which exceeded the threshold permitted by law.

The dispute arises from the interpretation of Art. 81, paragraph 1, of the Brazilian Law n. 9,504/97 (effective as the time of the donation) that prescribed that the donation was subject to a limit of two per cent. of the Company's gross revenue in the year preceding the elections. As the definition of "gross revenue" is not clearly defined under the Electoral Code, there was disagreement as to whether a narrow definition of the "gross revenue" for tax purposes, or a broad definition of total revenue should apply as has already been decided by the Superior Electoral Tribunal (TSE) (the highest court in the Brazilian electoral justice system) in similar cases.

In late June 2021, EJA was notified of a decision rendered by the local court of Aracruz where the judge took the narrow interpretation and applied a fine of an amount which corresponded to half of the Prosecutor's request. The fine was BRL8.57 million, equivalent to S\$2.33 million as at June 2021. EJA denies all allegations that it has breached the relevant laws and will appeal against the decision, which contradicts precedents from the Superior Electoral Tribunal (TSE).

There can be no assurance that the Group will not be subject to other disputes, investigations by regulatory bodies or regulatory action in the course of its operations or that any existing or new disputes, investigations or proceedings will be concluded or settled on favourable or reasonable terms, or at all. In the event any new or existing disputes or investigations are not concluded or settled on favourable or reasonable terms, or at all, the Group's operating results, business, financial condition, performance and/or prospects may be adversely affected.

The Group is exposed to potential liability arising from any damage, injury or death resulting from accidents or other causes.

Due to the nature of the Group's operations, it is subject to the risk of accidents occurring either to its employees or to third parties who may be involved in accidents while on its premises, yards, structures or vessels. These accidents may occur due to, among other things, fire, explosions or other incidents which may result in injury to persons, death or damage to property, the rigs or the vessels. The Group has instituted safety procedures for persons working on its premises. However, there is no assurance that accidents resulting in injury to persons, death or damage to property, the structures or the vessels will not arise. The Group may be liable, whether contractually or under law, for any or all of such loss, damage, injury or loss of life.

In the event of an accident that is not covered by the Group's insurance policies or where the insurance claims are in excess of its insurance coverage or are contested by the insurance companies, its operating results, business, financial condition, performance and/or prospects may be adversely affected.

The Group faces the risk of insufficient insurance coverage.

The Group is insured against construction risks, transportation risks, industry risks and potential liabilities such as risks of oil spills, damage to and/or loss of vessels and perils of the sea. However, there can be no assurance that all risks and potential liabilities can be insured and/or are adequately insured against. The availability of insurance coverage for any risk or liability is dependent on a number of factors such as the willingness of insurers to cover the risk or liability, the availability of re-insurance and prevailing insurance market conditions.

Where the damage or loss in question exceeds the insurance coverage taken up, the Group may be required to make material or significant monetary payments. Additionally, even where the Group's operations are insured, the Group may not receive the full amount of the claim from the insurance companies with whom its insurance coverage is taken out.

In addition, certain risks, including risks associated with operations or business in certain geographical areas where there is war, insurgencies, terrorism or similar threats, may be uninsurable or insurable only at prohibitive cost levels. Any of the foregoing events may result in the Group's operating results, business, financial condition, performance and/or prospects being materially and adversely affected.

The Group is subject to risk of reputational damage.

The Group places paramount importance on its reputation and takes all necessary measures to maintain its standing. However, unforeseeable or uncontrollable events may still occur that may result in reputational damage, which may result in the Group's operating results, business, financial condition, performance and/or prospects being materially and adversely affected.

The Group is subject to operational, business and political risks in Brazil, where it operates.

Part of the Group's business activity is conducted in Brazil and there are ongoing investigations conducted in connection with corruption allegations in Brazil, known as "Operação Lava Jato" ("**Operation Car Wash**"), as described below.

Chronology of Events

In 2012, the Group secured a number of drill rig construction contracts (the "**Contracts**") with certain subsidiaries of Sete Brasil. Companies connected to Mr Guilherme Esteves de Jesus ("**GDJ**") were engaged by the Group as consultants in Brazil.

In February 2015, there were various media reports that, *inter alia*, Mr Pedro Jose Barusco ("**PJB**"), Petrobras' former engineering manager, had made statements to the effect that payments had been made in connection with contracts entered into by Petrobras and/or Sete Brasil.

On 30 March 2015, the Group announced that it had received a copy of a plea bargain entered into between PJB and the Brazilian authorities in which PJB made allegations against GDJ in connection with the Contracts, and that GDJ was arrested by the Brazilian authorities in late March 2015. All contracts for consultancy services provided to the Group by companies connected to GDJ were suspended and remain suspended by the Group indefinitely. The Group has not had any dealings with GDJ or the companies connected to GDJ following such suspension.

In April 2017, GDJ was charged by the Brazilian authorities and he defended the charges when his trial commenced in 2018.

On 3 July 2019, the Group announced that the Brazilian authorities had executed a search warrant on EJA in connection with the ongoing investigations related to Operation Car Wash and against GDJ.

The Group also learnt that the investigations which led to the execution of the search warrant on EJA had been expanded to include Mr Martin Cheah Kok Choon ("**MCKC**"), the former president of EJA whose employment with the Group was terminated in June 2015. EJA co-operated fully with the Brazilian Federal Police and provided material within the scope of the warrant. In light of the investigation by the Brazilian authorities into the activities of MCKC during the time he was in the Group's employment, the Group lodged a suspicious transaction report in respect of MCKC with the Commercial Affairs Department of the Singapore Police Force.

On 3 February 2020, the Group also announced that it had come to its attention on 1 February 2020 that the Ministério Público Federal in Brazil had filed new charges against GDJ for money laundering. The Group also learnt that the Ministério Público Federal in Brazil had filed charges against MCKC for money laundering and corruption in connection with the Contracts. In light of these developments, the Group lodged a further suspicious transaction report in respect of MCKC with the Commercial Affairs Department of the Singapore Police Force.

On 21 February 2020, the Group announced that it had come to its attention on 20 February 2020 that GDJ had been convicted by the Federal Court of Curitiba of the crimes of corruption, money laundering and participation in a criminal organisation. GDJ was sentenced to 19 years and 4 months in prison and was also fined.

On 4 June 2020, the Group announced that it had come to its attention that the Federal Court of Curitiba accepted the complaint offered by the Ministério Público Federal in Brazil against MCKC for money laundering and corruption in connection with the Contracts. The court also accepted the additional complaint against GDJ for money laundering.

The Group is continuing to monitor developments in Brazil on this matter.

SCM Board Special Committee

Since early 2015, the Group had formed a Special Committee to conduct independent internal investigations into the allegations, and to recommend actions as considered appropriate in connection with the independent investigations.

Due to the evolving nature of the matters in Brazil, the internal investigations being conducted by the Company are still ongoing and have not yet been concluded. These internal investigations remain legally privileged.

The Group's Position

The above charges filed against MCKC and GDJ by the Ministério Público Federal in Brazil are in their personal capacities and not against EJA or the Company. Other than MCKC, the Group is not aware of any other of its employees past or present that is a subject of the current investigations being conducted by the Brazilian authorities in relation to Operation Car Wash. As at the Latest Practicable Date, the Brazil investigations are still ongoing and the Group's directors have determined that it is premature to predict the eventual outcome of this matter. Please also refer to paragraph 8(c) of the section "*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information*" on general business developments in FY2020 for additional updates.

As stated in the Group's announcements on 3 July 2019, 8 July 2019, 3 February 2020 and 21 February 2020, the Group is committed to the highest standards of compliance with anti-corruption laws and does not condone, has not condoned and will not tolerate any improper business conduct. The Group has a strict compliance programme and continuously works to ensure that policies and procedures are in place to prevent any violation of any anti-corruption laws applicable to its operations.

Potential Outcome

The potential outcome of Operation Car Wash as well as other ongoing corruption-related investigations against other persons unconnected to the Group is uncertain and the outcome of any such investigations may have a negative impact on the Group's operations in Brazil, and on investor sentiments towards the Group's operations in Brazil. The Group has no control over and cannot predict the outcome of such investigations or allegations.

The Group also has no control over and cannot predict whether such investigations by the Brazilian authorities will lead to new allegations or investigations. As at the Latest Practicable Date, the Group can give no assurance that such investigations will not result in fines and/or penalties imposed on the Group or whether such fines and/or penalties will not have a material adverse effect on the Group's operating results, business, financial condition, performance and/or prospects.

Risks Relating to an Investment in the Rights, the Rights Shares and the Shares

An active trading market in the Rights may not develop.

An active trading market in the Rights may not develop on the SGX-ST during the trading period for such Rights. In addition, because the trading price of the Rights depends on the trading price of the Shares, the price may be volatile and subject to the same risks as noted elsewhere in this Offer Information Statement.

Shareholders should also note that the Shares trade in board lots of 100 Shares. Following the Rights Issue, Shareholders who hold odd lots of the Shares and who wish to trade in odd lots on the SGX-ST should note that there is no assurance that they will be able to acquire such number of Shares to make up one board lot of 100 Shares or to dispose of their odd lots (whether in part or whole) on the SGX-ST. Further, Shareholders who hold odd lots of less than 100 Rights Shares may experience difficulty and/or have to bear disproportionate transaction costs in disposing of odd lots of their Shares.

Shareholders who do not or are not able to accept their Rights will experience a dilution in their ownership of the Company.

If Shareholders do not or are not able to accept their Rights, their proportionate ownership of the Company will be reduced. They may also experience a dilution in the value of their Shares. Even if a Shareholder sells his Rights, or such Rights are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his ownership in the Company as a result of the Rights Issue.

Investors may experience future dilution in the value of their Shares.

The Company may need to raise additional funds in the future and if such additional funds are raised through the issuance by the Company of new Shares other than on a *pro rata* basis to existing Shareholders, the percentage ownership of existing Shareholders may be reduced and existing Shareholders may experience dilution in the value of their Shares.

The Issue Price is not an indication of the underlying value of the Shares. Further, the Rights Issue may cause the price of the Shares to fluctuate or decrease.

The Issue Price represents a discount of approximately (i) 35.7 per cent. to the theoretical ex-rights price of S\$0.124³ per Share; and (ii) 58.1 per cent. to the last transacted price of the Shares on the Main Board of the SGX-ST of S\$0.191 on the Last Trading Day. The Issue Price does not bear a direct relationship to the book value of the Company's assets, past operations, cash flow, earnings, financial condition or any other established criteria for value, and Shareholders should not consider the Issue Price to be any indication of the Share's underlying value.

The market price for the Shares on the SGX-ST (including the Rights and the Rights Shares) could be subject to significant fluctuations. Any fluctuation may be due to the market's perception of the likelihood of completion of the Rights Issue and/or be in response to various factors some of which are beyond the Company's control. Examples of such factors include but are not limited to: (a) variation in its operating results; (b) changes in securities analysts' estimates of the Group's financial performance; (c) fluctuations in stock market prices and volume; (d) general changes in rules/regulations with regard to the industries that the Group operates in, including those that affect the demand for the Group's products and services; and (e) economic, stock and credit market conditions.

Any of these events could result in a decline in the market price of the Shares (including the Rights and the Rights Shares) during and after the Rights Issue. There is no assurance that the market price of the Rights Shares, upon or subsequent to the listing thereof and quotation therefor on the SGX-ST, will remain at or above the Issue Price, or that the Rights Shares can be disposed of at or above the Issue Price. Further, the discount, along with the number of Rights Shares, may result in a decrease in the trading price of the Shares and this decrease may continue after the completion of the Rights Issue.

Shareholders with a controlling or majority stake in the Company could significantly influence the outcome of corporate actions.

Shareholders with a controlling or majority stake will be able to significantly influence the outcome of matters submitted to Shareholders for approval, including significant corporate transactions, except where they are required by the rules of the Listing Manual (or any other applicable regulation) to abstain from voting.

³ Such 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 Main Board 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.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

Entitled Shareholders

Entitled Shareholders are entitled to participate in the Rights Issue, access and download this Offer Information Statement from the Company's website at <https://www.sembmarine.com/investor-relations/stock-exchange-announcements> or the SGX-ST's website at <https://www.sgx.com/securities/company-announcements>, and to receive the OIS Notification Letter, together with the ARE or the PAL, as the case may be, at their respective Singapore addresses.

Entitled Depositors who do not receive the OIS Notification Letter and the ARE may obtain them from CDP, the Share Registrar or any stockbroking firm during the period from the date the Rights Issue commences up to the Closing Date. Entitled Scripholders who do not receive the OIS Notification Letter and the PAL may obtain them from the Share Registrar during the period from the date the Rights Issue commences up to the Closing Date.

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. Entitled Shareholders are at liberty to accept (in full or in part), 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 Rights and are eligible to apply for Excess Rights Shares in excess of their provisional allotments under the Rights Issue. Fractional entitlements to the Rights Shares will be disregarded in arriving at the Shareholders' entitlements and will, together with such Rights Shares that are not validly taken up by Entitled Shareholders or their respective renounee(s) or Purchaser(s), any unsold Rights of Foreign Shareholders and any Rights Shares that are not otherwise allotted for whatever reason in accordance with the terms and conditions contained in this Offer Information Statement, the ARE, the PAL and (if applicable) the Constitution, be aggregated and used to satisfy Excess Rights Shares applications (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. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots and 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. 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 last in priority for the rounding of odd lots and allotment of Excess Rights Shares. For the avoidance of doubt, only Entitled Shareholders (and not Purchasers or renounees) shall be entitled to apply for Excess Rights Shares in excess of their provisional allotments.

All dealings in and transactions of the Rights through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs, which will be issued to Entitled Scripholders, will not be valid for delivery pursuant to trades done on the SGX-ST.

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, are contained in Appendices A, B and C to this Offer Information Statement and in the ARE, the ARS and the PAL.

Notwithstanding the foregoing, investors should note that the offer and sale of, or exercise or acceptance of, or subscription for, Rights Shares to or by persons located or resident in jurisdictions other than Singapore may be restricted or prohibited by the laws of the relevant jurisdiction. Crediting of Rights to any Securities Account, the receipt of any Rights, or receipt of this Offer Information Statement, the OIS Notification Letter and/or any of its accompanying documents, will not constitute an offer or sale in those jurisdictions in which it will be illegal to make such offer or sale, or where such offer or sale will otherwise violate the securities laws of such jurisdictions or be restricted or prohibited. The Company reserves absolute discretion in determining whether any person may participate in the Rights Issue. Investors are cautioned to note the offering, selling and transfer restrictions set forth in the section "*Offering, Selling and Transfer Restrictions*".

Foreign Shareholders

This Offer Information Statement as well as the OIS Notification Letter and its accompanying documents have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. The dissemination of this Offer Information Statement and the distribution of the OIS Notification Letter and its accompanying documents, and the purchase, exercise of or subscription for Rights and/or the Rights Shares by any persons who have registered addresses outside Singapore, or who are resident in, or citizens of countries other than Singapore, may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, this Offer Information Statement, the OIS Notification Letter and its accompanying documents will not be despatched or disseminated to Foreign Shareholders.

Foreign Shareholders will not be entitled to participate in the Rights Issue. Accordingly, no provisional allotment of Rights Shares will be made to Foreign Shareholders and no purported acceptance or application for the Rights Shares by Foreign Shareholders will be valid. The Company may, in its sole discretion, permit participation in the Rights Issue by certain Foreign Shareholders in certain jurisdictions, subject in all cases to compliance with applicable laws in the relevant jurisdictions.

This Offer Information Statement, the OIS Notification Letter and its accompanying documents will also not be despatched or disseminated to Foreign Purchasers. Foreign Purchasers who wish to accept the Rights credited to their Securities Accounts should make the necessary arrangements with their respective Depository Agents or stockbrokers in Singapore.

The Company reserves the right, but shall not be obliged, to treat as invalid any ARE, ARS or PAL which (i) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore or which the Company believes may violate any applicable legislation of such jurisdiction, (ii) provides an address outside Singapore for the receipt of the share certificate(s) for the Rights Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore, or (iii) purports to exclude any deemed representation, warranty or confirmation. The Company further reserves the right to reject any acceptances of the Rights Shares and/or applications for Excess Rights Shares where it believes, or has reason to believe, that such acceptances and/or applications may violate any applicable legislation of any jurisdiction.

If it is practicable to do so, the Company may, at its absolute discretion, arrange for the Rights, which would otherwise have been provisionally allotted to Ineligible Shareholders to be sold “nil-paid” on the SGX-ST as soon as practicable after commencement of trading in the Rights. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the expenses expected to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Ineligible Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Record Date and sent to them **AT THEIR OWN RISK** by ordinary post, **provided that** where the amount of net proceeds to be distributed to any single Ineligible Shareholder or persons acting to the account or benefit of any such persons is less than S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Ineligible Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Sole Financial Adviser, Manager and Underwriter, CDP, the CPF Board or the Share Registrar and their respective officers in connection therewith.

Where such Rights are sold on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Ineligible Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Sole Financial Adviser, Manager and Underwriter, CDP, the CPF Board or the Share Registrar and their respective officers in respect of such sales or the proceeds thereof, the Rights or the Rights Shares represented by such Rights.

If such Rights cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the Rights, the Rights Shares represented by such Rights will be issued to satisfy excess applications or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Ineligible Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Sole Financial Adviser, Manager and Underwriter, CDP, the CPF Board or the Share Registrar and their respective officers in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Ineligible Shareholders.

Notwithstanding the above, Shareholders and any other person having access to the electronic version of this Offer Information Statement and/or possession of the OIS Notification Letter and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving and/or accessing this Offer Information Statement, the OIS Notification Letter and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other regulatory or legal requirements in such territory.

OFFERING, SELLING AND TRANSFER RESTRICTIONS

No action has been taken or will be taken to permit a public offering of the Rights or the Rights Shares to occur in any jurisdiction, or the possession, circulation, distribution or dissemination of this Offer Information Statement, the OIS Notification Letter, its accompanying documents or any other material relating to the Company, the Rights or the Rights Shares in any jurisdiction where action for such purpose is required, except that this Offer Information Statement has been lodged with the MAS. Accordingly, the Rights or the Rights Shares may not be offered or sold, directly or indirectly, and none of this Offer Information Statement, the OIS Notification Letter, its accompanying documents or any offering materials or advertisements in connection with the Rights or the Rights Shares may be distributed, disseminated or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Investors are advised to consult their legal counsel prior to accepting any Rights, applying for Excess Rights Shares or making any offer, sale, resale, pledge or other transfer of the Rights or the Rights Shares.

This Offer Information Statement, the OIS Notification Letter and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

United States

The Rights and the Rights Shares have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Rights and the Rights Shares are being offered and sold by the Sole Financial Adviser, Manager and Underwriter only outside the United States in an “offshore transaction” in reliance upon Regulation S. As used in this paragraph, the term “United States” has the meaning given to it by Regulation S.

Each purchaser of the Rights and/or the Rights Shares outside the United States pursuant to Regulation S and each subsequent purchaser of such shares in resales, by accepting delivery of this Offer Information Statement, will be deemed to have represented, agreed and acknowledged that:

- (a) the purchaser is acquiring the Rights and/or Rights Shares in an “offshore transaction” meeting the requirements of Regulation S;
- (b) the purchaser is aware that the Rights and/or Rights Shares have not been and will not be registered under the Securities Act and accordingly, are only being offered, sold or delivered in an offshore transaction in accordance with and in reliance on Regulation S; and
- (c) the purchaser acknowledges that the Company, the Sole Financial Adviser, Manager and Underwriter, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

Terms used in this paragraph that are defined in Regulation S are used herein as defined therein.

General

The dissemination of this Offer Information Statement (electronic or otherwise) and the distribution of the OIS Notification Letter and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Shareholders or any other person having access to the electronic version of this Offer Information Statement and/or possession of the OIS Notification Letter and/or its accompanying documents are advised to keep themselves informed of and to observe such prohibitions and restrictions. No person in any territory outside Singapore receiving and/or accessing this Offer Information Statement, the OIS Notification Letter

and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares or purchase any Rights unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.

The Company and the Sole Financial Adviser, Manager and Underwriter have not taken any action, nor will the Company and the Sole Financial Adviser, Manager and Underwriter take any action, in any jurisdiction other than Singapore that would permit a public offering of the Rights Shares or the Rights, or the possession, circulation, distribution or dissemination of this Offer Information Statement, the OIS Notification Letter or any other material relating to the Company, the Rights Shares or the Rights in any jurisdiction other than Singapore where action for that purpose is required.

Accordingly, each purchaser of Rights and/or Rights Shares may not offer or sell, directly or indirectly, any Rights Shares or Rights and may not distribute, disseminate or publish this Offer Information Statement or any other offering material or advertisements in connection with the Rights Shares or Rights in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction.

TRADING

Listing of and Quotation for the Rights Shares

Approval in-principle has been obtained from the SGX-ST on 3 August 2021 for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to the following conditions:

- (a) compliance with the SGX-ST's listing requirements for the Rights Shares;
- (b) Shareholders' approval for the Rights Issue;
- (c) a written undertaking from the Company that it will comply with Rules 704(30) and 1207(20) of the Listing Manual in relation to the use of proceeds from the Rights Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
- (d) a written undertaking from the Company that it will comply with Rule 877(10) of the Listing Manual with regards to the allotment of any Excess Rights Shares; and
- (e) a written confirmation from a financial institution as required under Rule 877(9) of the Listing Manual that the undertaking Shareholder who has given the irrevocable undertaking has sufficient financial resources to fulfil its obligations under its undertaking.

Shareholders' approval for the Rights Issue referred to in paragraph (b) above had been obtained at the EGM and the written undertakings and confirmations referred to in paragraphs (c), (d) and (e) above have been provided to the SGX-ST.

The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Rights, the Company, its subsidiaries and/or the Shares.

Upon the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, the Rights Shares will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) in relation to the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "*Terms and Conditions for Operations of Securities Accounts with CDP*", as the same may be amended from time to time. Copies of the above are available from CDP.

Share Certificates and Arrangements for Scripless Trading

Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, must open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP, will be issued physical share certificates in their own names for the Rights Shares and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of

legal title. If an Entitled Scripholder's address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

A holder of physical share certificate(s) or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but wishes to trade on the SGX-ST must deposit his share certificate(s) with CDP, together with the duly executed instrument(s) of transfer in favour of CDP, and payment of S\$10.00 plus goods and services tax at the prevailing rate, and have his Securities Account credited with the number of Rights Shares and/or existing Shares, as the case may be, before he can effect the desired trade.

Trading of Odd Lots

For the purposes of trading on the Main Board of the SGX-ST, each board lot of Shares will comprise 100 Shares. Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) are able to trade odd lots of Shares in board lots of one Share on the Unit Share Market.

SHAREHOLDING LIMITS

The Company wishes to draw to the attention of Shareholders that the allotment of Rights Shares to a Shareholder pursuant to his application for Excess Rights Shares may cause such Shareholder to reach or exceed the applicable shareholding limits referred to below. Shareholders who are in doubt as to the actions they should take should consult their stockbroker, bank manager, solicitor or other professional adviser immediately.

The Directors reserve the right not to allot any Rights Shares where such allotment will be in breach of the shareholding limits referred to below or otherwise as required by any relevant legal and regulatory authorities.

The Take-over Code

The Take-over Code regulates the acquisition of ordinary shares of, *inter alia*, corporations with a primary listing on the SGX-ST, including the Company. Except with the consent of the SIC, where:

- (i) any person acquires whether by a series of transactions over a period of time or not, Shares which (taken together with the Shares held or acquired by parties acting in concert with him) carry 30 per cent. or more of the voting rights of the Company; or
- (ii) any person who, together with persons acting in concert with him, holds not less than 30 per cent. but not more than 50 per cent. of the voting rights of the Company and such person, or any person acting in concert with him, acquires in any period of six months additional Shares carrying more than one per cent. of the voting rights,

such person must undertake a mandatory take-over offer, in accordance with the provisions of the Take-over Code, immediately to the holders of any class of share capital of the Company which carries votes and in which such person, or persons acting in concert with him, hold Shares. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any acquisition of Rights Shares pursuant to the Rights Issue should consult the SIC and/or their stockbroker, bank manager, solicitor or other professional adviser.

Potential Mandatory Offer

Undertaking

As at the Latest Practicable Date, Temasek, through its indirect wholly-owned subsidiary, Startree, has an interest in 5,353,126,468 Shares (the “**Relevant Shares**”), representing approximately 42.6 per cent. of the Existing Share Capital.

Startree has entered into the Undertaking Agreement, pursuant to which it has irrevocably undertaken to the Company, *inter alia*, to vote in favour of the Rights Issue Resolution, to subscribe for or procure the subscription of its *pro rata* entitlement to the Rights Shares in relation to the Relevant Shares, and to subscribe for or procure the subscription of such number of Excess Rights Shares which, when aggregated to its *pro rata* entitlement to the Rights Shares in relation to the Relevant Shares, represents not more than 67.0 per cent. of the total number of Rights Shares. No commission or fee will be paid to Temasek or Startree in connection with the provision or execution of the Undertaking Agreement.

Temasek Minimum Resultant Holding after the Rights Issue

Assuming that:

- (i) there is no change in the number of Shares in which the Temasek Group holds;

- (ii) the number of Shares in issue as at the Record Date is 12,555,639,661 (excluding 6,223 treasury shares);
- (iii) all Rights Shares are subscribed for by the Shareholders and investors such that Startree subscribes only for the Undertaken *Pro Rata* Rights Shares and is not required pursuant to the Undertaking Agreement to subscribe for any Undertaken Excess Rights Shares; and
- (iv) 18,833,459,491 Rights Shares are allotted and issued,

the Temasek Group would hold in aggregate 13,382,816,170 Shares, representing approximately 42.6 per cent. of the Shares in issue immediately following the Rights Issue (the “**Minimum Resultant Holding Scenario**”).

Temasek Maximum Resultant Holding after the Rights Issue

Assuming that:

- (i) there is no change in the number of Shares in which the Temasek Group holds;
- (ii) the number of Shares in issue as at the Record Date is 12,555,639,661 (excluding 6,223 treasury shares);
- (iii) Startree subscribes for the Undertaken *Pro Rata* Rights Shares and the maximum number of Undertaken Excess Rights Shares which it is required to subscribe for pursuant to the Undertaking Agreement; and
- (iv) 18,833,459,491 Rights Shares are allotted and issued,

the Temasek Group would hold in aggregate 17,971,544,326 Shares, representing approximately 57.3 per cent. of the Shares in issue immediately following the Rights Issue (the “**Maximum Resultant Holding Scenario**”).

For illustrative purposes, the dilution effect to the shareholdings of the existing Shareholders after the issue of the Rights Shares is as set out below:

	Current Shareholding		After completion of the Rights Issue			
	No. of Shares	% ⁽¹⁾	No. of Shares under the Minimum Resultant Holding Scenario	% ⁽²⁾	No. of Shares under the Maximum Resultant Holding Scenario	% ⁽²⁾
Temasek Group	5,353,126,468	42.6	13,382,816,170	42.6	17,971,544,326	57.3
Other Shareholders	7,202,513,193	57.4	18,006,282,982	57.4	13,417,554,826	42.7
Total	12,555,639,661	100.0	31,389,099,152	100.0	31,389,099,152	100.0

Notes:

- (1) Based on a total of 12,555,639,661 Shares (excluding 6,223 treasury shares) in issue as at the Latest Practicable Date.
- (2) Based on a total of 31,389,099,152 Shares (excluding 6,223 treasury shares), including 18,833,459,491 Rights Shares.

Under Rule 14.1 of the Take-over Code, where any person (defined to include any body corporate) who, together with persons acting in concert with that person, holds not less than 30 per cent. but not more than 50 per cent. 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 one per cent. 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 of its obligations under the Undertaking Agreement may result in the Temasek Concert Party Group increasing its shareholding in the Company by more than one per cent. (the “**Relevant Event**”). Accordingly, in such event, unless the obligation is otherwise waived by the SIC in accordance with the provisions of the Take-over Code⁴, the Temasek Concert Party Group would incur an obligation to make a mandatory general offer (the “**Compliance Offer**”) for the remaining Shares not already owned or controlled by the Temasek Concert Party Group, in accordance with Rule 14 of the Take-over Code, 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. Further, pursuant to Rule 14.2 of the Take-over Code, if the Temasek Concert Party Group does not hold more than 50 per cent. of the issued shares of the Company when the Compliance Offer is made, the Compliance Offer will be conditional upon the Temasek Concert Party Group receiving such number of acceptances which would result in the Temasek Concert Party Group holding more than 50 per cent. of the issued shares of the Company (the “**Acceptance Condition**”). There is no certainty that the Compliance Offer, if required to be made, will be unconditional at such time it is made, or will turn unconditional at any time thereafter. If the Compliance Offer is required to be made subject to the Acceptance Condition, and the Acceptance Condition is not met and the Compliance Offer does not turn unconditional (i.e. the Temasek Concert Party Group does not receive acceptances which result in the Temasek Concert Party Group holding more than 50 per cent. of the issued shares of the Company), all acceptances tendered in the Compliance Offer will be returned to the relevant shareholders.

Based on information available to Temasek as at the Latest Practicable Date, the offer price which the Temasek Concert Party Group will be obliged to offer under the Compliance Offer (if any) will be the Issue Price. Temasek has also informed the Company that, in the event the Compliance Offer is required to be made, the current intention of Temasek is to maintain the listing status of the Company on the SGX-ST but it reserves the right to re-evaluate its position, taking into account, among other things, the level of acceptances received by the offeror and the prevailing market conditions at the relevant time of the Compliance Offer, if and when made.

Shareholders should note that there is no certainty that the Relevant Event will occur and that the Compliance Offer will be made. Shareholders should also note that as required under the Take-over Code, the Compliance Offer (if any) may be subject to the Acceptance Condition. Further, on the basis described in the paragraph above, the offer price at which the Temasek Concert Party Group will be obliged to offer under the Compliance Offer (if any) will be the Issue Price. Investors are advised to exercise caution when dealing with their Shares or other securities of the Company. Investors should consult their professional advisers if they have any doubt about the actions they should take.

⁴ Startree has informed the Company that no whitewash waiver is intended to be sought from the SIC.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 2 – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.

Names of Directors	Addresses
Tan Sri Mohd Hassan Marican	c/o 80 Tuas South Boulevard Singapore 637051
Wong Weng Sun	c/o 80 Tuas South Boulevard Singapore 637051
Eric Ang Teik Lim	c/o 80 Tuas South Boulevard Singapore 637051
Bob Tan Beng Hai	c/o 80 Tuas South Boulevard Singapore 637051
Gina Lee-Wan	c/o 80 Tuas South Boulevard Singapore 637051
William Tan Seng Koon	c/o 80 Tuas South Boulevard Singapore 637051
Patrick Daniel	c/o 80 Tuas South Boulevard Singapore 637051
Tan Wah Yeow	c/o 80 Tuas South Boulevard Singapore 637051
Koh Chiap Khiong	c/o 80 Tuas South Boulevard Singapore 637051

Advisers

2. Provide the names and addresses of –

- (a) the issue manager to the offer, if any;

Name of Issue Manager	Address
DBS Bank Ltd.	12 Marina Boulevard Marina Bay Financial Centre Tower 3 Singapore 018982

- (b) the underwriter to the offer, if any; and

Name of Underwriter	Address
DBS Bank Ltd.	12 Marina Boulevard Marina Bay Financial Centre Tower 3 Singapore 018982

(c) **the legal adviser for or in relation to the offer, if any.**

Legal Adviser to the Company as to Singapore law	Address
Allen & Gledhill LLP	One Marina Boulevard #28-00 Singapore 018989
Legal Adviser to the Sole Financial Adviser, Manager and Underwriter as to Singapore law	Address
Rajah & Tann Singapore LLP	9 Straits View #06-07 Marina One West Tower Singapore 018937

Registrars and Agents

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities or securities-based derivatives contracts being offered, where applicable.

Share Registrar	Addresses
KCK CorpServe Pte. Ltd.	333 North Bridge Road #08-00, KH KEA Building Singapore 188721
Receiving Bank	
DBS Bank Ltd.	12 Marina Boulevard Marina Bay Financial Centre Tower 3 Singapore 018982

PART 3 – OFFER STATISTICS AND TIMETABLE

Offer Statistics

1. **For each method of offer, state the number of the securities or securities-based derivatives contracts being offered.**

Renounceable underwritten Rights Issue of 18,833,459,491 Rights Shares, at an 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.

Method and Timetable

2. **Provide the information mentioned in paragraphs 3 to 7 of this Part to the extent applicable to:**
 - (a) **the offer procedure; and**
 - (b) **where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.**

Please refer to paragraphs 3 to 7 of this Part.

3. **State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period must be made public.**

Please refer to the section "*Indicative Timetable of Key Events*".

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, are contained in Appendices A, B and C to this Offer Information Statement and in the ARE, the ARS and the PAL.

As at the date of this Offer Information Statement, the Company does not expect the timetable under the section "*Indicative Timetable of Key Events*" to be modified. However, the Company may, in consultation with the Sole Financial Adviser, Manager and Underwriter and with the approval of the SGX-ST and/or CDP, modify the timetable subject to any limitation under any applicable laws. In that event, the Company will publicly announce the same through a SGXNET announcement to be posted on the internet at the SGX-ST's website <https://www.sgx.com/securities/company-announcements>.

4. **State the method and time limit for paying up for the securities or securities-based derivatives contracts and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.**

The Rights Shares and, if applicable, the Excess Rights Shares are payable in full upon acceptance and/or application. Details of the methods of payment for the Rights Shares and, if applicable, the Excess Rights Shares are contained in Appendices A, B and C to this Offer Information Statement and the ARE, the ARS and the PAL.

Please refer to the section "*Indicative Timetable of Key Events*" for the last date and time for payment for the Rights Shares and, if applicable, Excess Rights Shares.

5. **State, where applicable, the methods of and time limits for –**
- (a) **the delivery of the documents evidencing title to the securities or securities-based derivatives contracts being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
 - (b) **the book-entry transfers of the securities or securities-based derivatives contracts being offered in favour of subscribers or purchasers.**

The Rights Shares will be provisionally allotted to Entitled Shareholders by crediting the Rights to Entitled Depositors so that the Rights are available for trading on or about 31 August 2021 or through the despatch of the PALs to Entitled Scripholders on or about 31 August 2021, based on their respective shareholdings in the Company as at the Record Date.

In the case of Entitled Scripholders and their renounees with valid acceptances of and/or successful applications for Excess Rights Shares and who have, *inter alia*, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form comprised in the PAL, share certificates representing such number of Rights Shares will be despatched to such Entitled Scripholder by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained in the records of the Share Registrar, within ten (10) Market Days after the Closing Date.

In the case of Entitled Depositors and Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in the relevant form comprised in the PAL) with valid acceptances of and/or successful applications for Excess Rights Shares, share certificate(s) representing such number of Rights Shares will be registered in the name of CDP or its nominee and despatched to CDP within ten (10) Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares to their relevant Securities Accounts. CDP will then send a notification letter to the relevant subscribers stating the number of Rights Shares that have been credited to their Securities Accounts.

Please refer to Appendices A, B and C to this Offer Information Statement and the ARE, the ARS and the PAL for further details.

6. **In the case of any pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.**

Save for the Rights Issue, none of the Shareholders have pre-emptive rights to subscribe for the Rights Shares. Please refer to Appendices A, B and C to this Offer Information Statement and the ARE, the ARS and the PAL for details on the procedure for the acceptance of the Rights, application for Excess Rights Shares, trading of the Rights on the SGX-ST and the treatment of the Rights which are not accepted.

7. **Provide a full description of the manner in which results of the allotment or allocation of the securities or securities-based derivatives contracts are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).**

Results of the Rights Issue

As soon as practicable after the Closing Date, the Company will announce the results of the Rights Issue through an SGXNET announcement to be posted on the internet at the SGX-ST's website <https://www.sgx.com/securities/company-announcements>.

Manner of Refund

When any acceptance for Rights Shares and/or excess application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of trading of the Rights Shares, by any one or a combination of the following:

- (i) where the acceptance and/or application had been made through CDP or through an Accepted Electronic Service, by crediting their designated bank accounts via CDP's Direct Crediting Service or in the case where refunds are to be made to Depository Agents, by means of telegraphic transfer. In the event that an applicant is not subscribed to CDP's Direct Crediting Service, any monies to be returned or refunded will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (such retention by CDP being a good discharge of the Company's and the Sole Financial Adviser, Manager and Underwriter's obligations);
- (ii) where the acceptance and/or application had been made through the Share Registrar, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing address in Singapore as maintained in the records of the Share Registrar; and
- (iii) where the acceptance and/or application had been made through Electronic Applications through an ATM of a Participating Bank or through an Accepted Electronic Service (in the case of invalid acceptances and/or applications), by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge of the Company's, the Sole Financial Adviser, Manager and Underwriter's and CDP's obligations.

Please refer to Appendices A, B and C to this Offer Information Statement and the ARE, the ARS and the PAL for details of refunding excess amounts paid by applicants.

PART 4 – KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

1. **In the same section, provide the information set out in paragraphs 2 to 7 of this Part.**

Please refer to paragraphs 2 to 7 of this Part.

2. **Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (called in this paragraph and paragraph 3 of this Part the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.**

The estimated net proceeds from the Rights Issue (after deducting estimated expenses of approximately S\$11.0 million to be incurred in connection with the Rights Issue) are expected to be approximately S\$1.5 billion.

All net proceeds from the Rights Issue will go to the Company.

3. **Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities or securities-based derivatives contracts.**

The Company intends to utilise the net proceeds from the Rights Issue for working capital and general corporate purposes, including debt servicing.

The Company has a S\$600 million loan facility from DBS Bank Ltd. (the “**Loan Facility**”). As at the Latest Practicable Date, approximately S\$300 million has been drawn down and is outstanding under the Loan Facility. This amount drawn down under the Loan Facility was used to repay a term loan that matured in June 2021. Under the terms of the Loan Facility, the Company may draw down additional amounts for general corporate purposes, including debt repayment, on or prior to 16 September 2021. Any amounts outstanding under the Loan Facility would be due for repayment on 30 September 2021, with an option to extend the maturity up to 31 December 2021 under the terms of the Loan Facility.

The Company intends to use part of the net proceeds of the Rights Issue to repay the amounts outstanding under the Loan Facility. As at the Latest Practicable Date, the Company intends to use S\$300 million of the net proceeds of the Rights Issue to repay approximately S\$300 million that has been drawn down and is outstanding under the Loan Facility. If additional amounts are drawn down under the Loan Facility after the Latest Practicable Date, the amount of the net proceeds used to repay the amounts drawn down and outstanding under the Loan Facility may exceed S\$300 million. The Company will make an announcement on the utilisation of the proceeds from the Rights Issue, as and when the funds from the Rights Issue are materially disbursed and provide a status report on the use of the proceeds from the Rights Issue in the Company’s annual report, in accordance with the rules of the Listing Manual.

As at 30 June 2021, the Group had net current liabilities totalling S\$694 million arising mainly from loans maturing in the next 12 months. The Group is in talks with lenders to refinance and re-profile current loans with longer term maturities. For certain loans due, proceeds from the Rights Issue may be utilised to repay them. Further, as mentioned in paragraph 5 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 7 – Additional Information*”, since the onset of the

COVID-19 pandemic, a majority of the Group's projects have been delayed by at least 12 months. Deferral of cash collections from projects has impacted and will continue to impact the near-term liquidity position of the Group. The Group has been working closely with its customers to reach mutually beneficial outcomes for project re-scheduling. As discussions with lenders and customers are ongoing, as of the date of this Offer Information Statement, other than for the Loan Facility, the Group has not finalised any specific loans to be repaid using the Rights Issue proceeds and uses for the proceeds for specific projects.

The Company has entered into a non-binding MOU with KCL on 24 June 2021 to explore a potential combination of the Group and KOM, a subsidiary of KCL, to create a stronger combined entity, able to capitalise on growing opportunities in the O&M, renewable and clean energy sectors. 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 in relation to the Potential Combination. Discussions on the Potential Combination are at a preliminary stage and there is no assurance that the discussions will lead to definitive agreements being entered into nor is there any certainty that the Potential Combination will occur. Further details on the Potential Combination are set out under paragraph 10 of the section "*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 5 – Operating and Financial Review and Prospects Operating Results*".

Pending the deployment of the net proceeds from the Rights Issue, the net proceeds may be deposited with banks and/or financial institutions as the Directors may deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the proceeds from the Rights Issue, as and when the funds from the Rights Issue are materially disbursed and provide a status report on the use of the proceeds from the Rights Issue in the Company's annual report, in accordance with the rules of the Listing Manual. Where proceeds are to be used for general working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report. Where there is a material deviation in the use of the net proceeds, the Company will state the reason(s) for such deviation.

As a result of the entry into the Undertaking Agreement and the Management and Underwriting Agreement, the Company will have certainty of raising the full S\$1.5 billion contemplated from the Rights Issue.

- 4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.**

For each dollar of the gross proceeds of approximately S\$1.5 billion due to the Company from the Rights Issue, the Company will use:

- (i) approximately 99.3 cents for working capital and general corporate purposes, including debt servicing, of which approximately 19.9 cents are to be used for the repayment of the Loan Facility; and
- (ii) approximately 0.7 cents to pay for the expenses incurred in connection with the Rights Issue.

- 5. If any material part of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of any asset, business or entity, briefly describe the asset, business or entity and state its purchase price. Provide information on the status of the acquisition and the estimated completion date. Where funds have already been expended for the acquisition, state the amount that has been paid by the relevant entity, or, if the relevant entity is the holding company or holding entity of a group, the amount that has been paid by the relevant entity or any other entity in the group as at the latest practicable date. If the asset, business or entity has been or will be acquired from an**

interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined and whether the acquisition is on an arm's length basis.

Not applicable. There is no intention to use the net proceeds from the Rights Issue, directly or indirectly, to acquire or refinance the acquisition of an asset, business or entity.

- 6. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**

The net proceeds from the Rights Issue will be utilised for working capital and general corporate purposes, including debt servicing.

As at the Latest Practicable Date, approximately S\$300 million has been drawn down and is outstanding under the Loan Facility. This amount drawn down under the Loan Facility was used to repay a term loan that matured in June 2021. Under the terms of the Loan Facility, the Company may draw down additional amounts for general corporate purposes, including debt repayment, on or prior to 16 September 2021. Any amounts outstanding under the Loan Facility would be due for repayment on 30 September 2021, with an option to extend the maturity up to 31 December 2021 under the terms of the Loan Facility.

The Company intends to use part of the net proceeds of the Rights Issue to repay the amounts outstanding under the Loan Facility. As at the Latest Practicable Date, the Company intends to use S\$300 million of the net proceeds of the Rights Issue to repay approximately S\$300 million that has been drawn down and is outstanding under the Loan Facility. If additional amounts are drawn down under the Loan Facility after the Latest Practicable Date, the amount of the net proceeds used to repay the amounts drawn down and outstanding under the Loan Facility may exceed S\$300 million. The Company will make an announcement on the utilisation of the proceeds from the Rights Issue, as and when the funds from the Rights Issue are materially disbursed and provide a status report on the use of the proceeds from the Rights Issue in the Company's annual report, in accordance with the rules of the Listing Manual.

- 7. In the section containing the information mentioned in paragraphs 2 to 6 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters, or other placement or selling agents in relation to the offer, and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.**

Pursuant to the Management and Underwriting Agreement, the Company will pay the Sole Financial Adviser, Manager and Underwriter a total fee of S\$3.65 million (which is inclusive of an underwriting commission of S\$2.55 million).

Information on the Relevant Entity

- 8. Provide the following information:**

- (a) the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office), and the email address of the relevant entity or a representative of the relevant entity;**

Registered Office and Principal Place of Business	:	80 Tuas South Boulevard Singapore 637051
Telephone Number	:	+65 6265 1766
Facsimile Number	:	+65 6261 0738
Email Address	:	investor.relations@sembmarine.com

- (b) **the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;**

Overview of the Group

Introduction

The Group provides innovative engineering solutions to the global O&M and energy industries, with an increasing focus on renewable and clean energy solutions. Headquartered in Singapore, the Group has close to 60 years of track record in the design and construction of rigs, floaters, offshore platforms and specialised vessels, as well as in the repair, upgrading and conversion of different ship types. The Group's solutions focus on the following areas: Renewable Energy, Gas Value Chain, Process, Ocean Living and Advanced Drilling Rigs. These are supported by four commercial units within the Group: Rigs & Floaters, Repairs & Upgrades, Offshore Platforms, and Specialised Shipbuilding.

The Group operates shipyards and other facilities strategically located in Singapore, Indonesia, the United Kingdom, Norway and Brazil. Through its global integrated footprint, the Group has created robust and comprehensive ecosystems to fulfil its supply chain strategy and/or meet the local content requirements of its partners.

Customers' Partner of Choice

The Group's customers include international and state-owned oil majors, independent energy players, offshore wind developers, owners of floating production units, shipping companies and cruise and ferry operators. The Group has well-established customer relationships including long-standing partnerships with industry leaders in the global O&M and energy industries. The Group has also created successful multilateral partnerships which have helped in securing contracts and projects.

Transformation and Strategic Thrusts

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. In response to the rapidly changing dynamics of the O&M and energy industries, the Group's transformation and diversification strategy towards a cleaner energy mix has grown steadily. Such diversification and expansion into non-oil products and solutions will diminish the future impact of oil prices on the Group's business, while also allowing the Group to capitalise on the significant growth expected in the renewable and clean energy segment over the long term. Since embarking on this strategy, the Group has secured and executed on many notable wins which are further elaborated on below.

To remain relevant and stay resilient, the Group continues to augment three key pillars of its strategic thrusts to take it further on its transformation journey. Specifically, the Group has implemented the following:

- (i) proactive diversification and expansion into new and existing markets;
- (ii) strategic strengthening of yard capabilities; and
- (iii) innovation development through investment in intellectual property, technology and solutions that provide a differentiated edge.

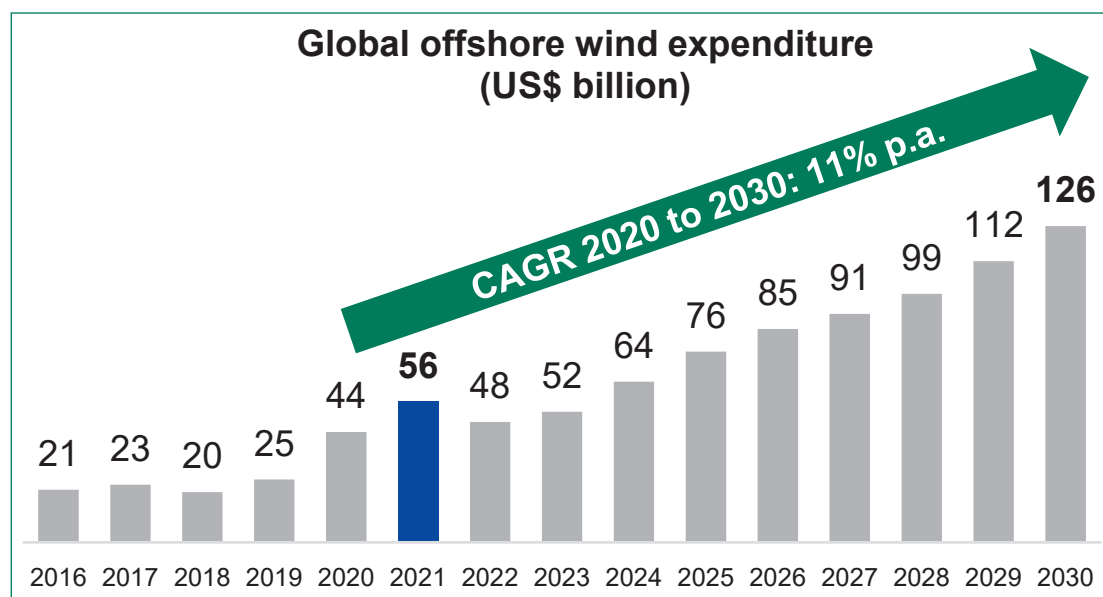
Proactive Diversification and Expansion into New and Existing Markets

While oil and gas remain a focus, the Group has proactively diversified its business and product segments towards the provision of clean energy solutions, leveraging its integrated O&M engineering capabilities. 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 Gravitfloat LNG Terminals.

Notably, 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 Siemen's Dudgeon Offshore Wind Farm located in the United Kingdom North Sea, which had since been successfully completed and delivered in 2016. The Group has also completed fabrication of the Offshore Substation, Reactive Compensation Station and their accompanying jackets for Ørsted's Hornsea 2, one of the world's largest offshore wind farms with a 1.4GW capacity. In addition, the Group is currently fabricating 15 wind turbine jacket foundations for Jan De Nul's Formosa 2 Offshore Wind Farm.

In March 2021, RWE Renewables, the owner of the 1.4 GW Sofia Offshore Wind Farm which is also in the United Kingdom North Sea, awarded the Group and its consortium partner GE Renewable Energy's Grid Solutions a S\$1.12 billion contract to supply a HVDC electrical transmission system. The Group's scope of work in this project includes the design, construction, installation and commissioning of an offshore converter platform, which the Group believes to be the most powerful and most remote offshore converter platform to be built.

With significant growth expected in the offshore wind market over the next decade and beyond, the Group will focus on gaining further traction in this segment, along with other clean energy solutions.



Notes:

- (1) Source: Rystad Energy publication dated 29 April 2021. Rystad Energy has not consented for the purposes of Section 249 and Section 277 of the SFA to the inclusion of the information above which is publicly available, and is thereby not liable for such information under Sections 253 and 254 of the SFA. The Company and the Sole Financial Adviser, Manager and Underwriter have taken reasonable actions to ensure that the above information has been reproduced in its proper form and context and have not conducted an independent review of this information or verified the accuracy of the content of such information.
- (2) CAGR means Compound Annual Growth Rate
- (3) p.a. means per annum

The Group's diversification and expansion into clean energy solutions segments (including renewable energy and gas value chain) serves to (i) increasingly align its business with the global shift towards cleaner products and solutions and strengthen its market share, (ii) build greater resilience by reducing its exposure to the volatility of the offshore oil exploration and related sectors, and (iii) accelerate its strategic transformation to position it for the global shift towards a low-carbon economy.

This proactive diversification and expansion strategy is bearing fruit. Green energy solutions comprised approximately 34 per cent. of the Group's net order book of S\$1.78 billion as at 30 June 2021.

Further, the Group has built on its integrated O&M engineering capabilities to move up the value chain and provide a wider suite of products and solutions for its existing business segments. For example, through its acquisition of Sevan Marine, the Group owns the intellectual property that enables it to develop capabilities to offer cylindrical hull solutions that are especially suited for harsh-environment operations. The strategy is aimed at strengthening the Group's competitiveness in winning more orders and improving its overall profitability over the longer term.

Strategic Strengthening of Yard Capabilities

To support its expansion into new and existing markets, the Group continues to strategically augment its yard facilities and infrastructure to enhance its proposition as a one-stop production centre capable of fabricating, assembling and installing larger and heavier integrated structures.

The Group has developed differentiating and expert capabilities in engineering, procurement and construction (EPC), integration and commissioning, with optimal production flexibility and efficiency. The Group's flagship Tuas Boulevard Yard in Singapore, a new generation, smart and sustainable yard, is designed to maximise operational synergy, production efficiency and critical mass, with optimised docking and berthing facilities, an improved dock and quay ratio, a centralised work-efficient layout and integrated facilities. This reinforces the Group's competitive edge to achieve greater productivity and efficiency to deliver innovative, value-added and cost-efficient solutions to customers.

With 6.6 kilometres of quay length and 206 hectare land area when fully developed, the yard houses 19 berths and seven dry docks, including two with 360 metre by 89 metre and 412 metre by 66 metre dimensions to cater to large-scale projects. The yard boasts of a pair of gantry cranes that are amongst the largest of its kind in the O&M industry, with a total lifting capacity of 30,000 tonnes and 100 metre hook height capable of mega-block integration to help fulfil business objectives of safety, quality, time and cost. These strategic infrastructure investments have greatly enhanced the Group's value proposition as a one-stop production centre capable of fabricating, assembling and installing larger and heavier integrated structures.

Tuas Boulevard Yard also has ship repair dry docks of length and depth that can accommodate a wide range of vessels and rigs, including ultra-large 20,000 twenty-foot equivalent unit (TEU) container carriers, mega-size cruise vessels and LNG carriers. In 2020, the Group serviced a total of 146 vessels, including LNG carriers, FSRUs and cruise ships. The Group carried out a total of 18 LNG carriers/FSRUs/FSUs repair and conversion projects. Working with the Group's customers who are major global operators owning more than 15 cruise brands and with a total of 26 cruise liners serviced in 2020, the Group is also recognised as a leading cruise vessel repair and upgrading company in Asia.

Innovation Development through Investment in Intellectual Property, Technology and Solutions

In recent years, the Group has strategically acquired intellectual property, technology and engineering talent that provide access to innovative designs for specialised vessels such as fully battery-operated roll-on, roll-off passenger and vehicle ferries, and other green products and solutions. Coupled with long-term investments in research and development and innovative technologies such as LMG Marin, a naval architecture and ship design firm with over 75 years of history and an extensive portfolio of leading-edge vessel designs, these initiatives position the Group at the forefront with an ability to offer and compete for a wider range of highly customised or repeatable products and solutions in its target business segments.

The Group actively builds strategic alliances to tap best-in-class capabilities of industry players. Current partnerships include exploring Digital Design and Advanced Manufacturing with A*STAR, development of carbon capture and storage solutions, and development of maritime hydrogen fuel cells. Through such alliances, the Group hopes to create breakthrough innovative solutions and unparalleled collaborative outcomes. For example, in 2019, the Group earned certifications for Additive Manufacturing, which paved the way for the Group to unlock production efficiencies and mitigate external procurement constraints.

The Group's suite of proprietary designs, for various types of ships and offshore engineering solutions, will continue to put it in a strong position to vie for a wide spectrum of projects, including those related to oil and gas, as well as emerging and growing opportunities in the offshore wind, battery and hydrogen fuel cell-powered space. To continue to spearhead technological advancement in these business segments, the Group will continue its selective investment in strategic innovation, technology and production capabilities to further strengthen its competitive edge and capture new orders. In August 2021, a consortium led by the Group was awarded funding by the Maritime and Port Authority of Singapore and the Singapore Maritime Institute to research, design, build and operate a fully electric harbour craft over the next five years.

Embedding Sustainability into its Operations

The Group recognises that it plays a strategic and pivotal role in supporting the O&M and energy industries towards a lower-carbon future. The Group's commitment to sustainability is integrated into its business strategy and embedded into its operations. The Group's pursuit of sustainability ranges from energy and resource conservation, waste minimisation, process efficiency enhancement, use of renewable resources to the provision of innovative engineering products and solutions with a focus on sustainability for the marine, offshore and energy industries. The Group's sustainability push is underpinned by innovation as a core enabler.

The Group has also built strategic alliances with government agencies, research institutions, classification societies and other stakeholders to boost sustainable innovation development. Recent collaborations include the signing of a master research collaboration agreement with A*STAR to set up a joint lab at Tuas Boulevard Yard to facilitate test-bedding and commercialisation of digital design and advanced manufacturing capabilities and other industry 4.0 technologies, the development of large-scale maritime hydrogen fuel cell systems for the international market, and the development of commercially-viable carbon capture solutions for maritime transport, offshore discharge, floating storage and CO₂ injection for permanent storage in subsea reservoirs.

The Group has also invested in its flagship Tuas Boulevard Yard and equipped the yard with industry 4.0 technologies and environmentally friendly features that support sustainable operations. In particular, the Group replaced over 5 GW hours of grid-supplied electricity with clean energy harnessed from a solar-panelled roof located above its steel fabrication facility. In June 2021, the Group inked another agreement to further develop and implement a digital energy solution, with the installation of additional four megawatt-peak (MWp) of rooftop solar panels across seven rooftops in the yard.

In the Center of the Global Shift towards a Low-Carbon Economy

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. Given the Group's significant transformation and strategic diversification towards the renewable space since 2015, it has built a creditable position and track record.

The Group's key strategies will continue to enhance its competitive edge and enable it to seize opportunities in the oil and gas segment, as well as renewable energy and other green solutions which are expected to grow exponentially. These strategies are aimed at improving the Group's financial performance and generating sustainable long-term returns for Shareholders.

Overview of Business Segments

Rigs & Floaters

By harnessing the Group's globally-integrated design and execution capabilities, Rigs & Floaters provides turnkey solutions for complex projects.

The product areas include design, engineering, procurement, construction and commissioning of:

- (i) Offshore newbuildings and conversions, including floating storage and offloading vessels (FSO), floating production, storage and offloading vessels (FPSO), floating drilling, production, storage and offloading vessels (FDPSO), floating production units (FPU) and mobile offshore production units (MOPU);
- (ii) Gas terminals (including Gravifloat nearshore modular terminal solutions), floating liquefied natural gas vessels (FLNG) and FSRU;
- (iii) Jack-ups, semi-submersibles and drillships; and
- (iv) Sevan SSP cylindrical hull solutions, tension leg platforms (TLP) and SPARs (floating oil platforms typically used in very deep waters).

Repairs & Upgrades

Repairs & Upgrades offers one-stop repair and upgrade solutions for all types of O&M vessels and structures.

The product areas include:

- (i) Repair, refurbishment, retrofitting and life-extension of vessels, including gas carriers (LNG/liquefied petroleum gas), cruise ships, ferries, mega-yachts, naval vessels, conventional tankers, container carriers and bulk carriers;
- (ii) Turnkey upgrading and conversion of FPSOs, FSUs, FSRUs, as well as O&M structures (including floating production vessels and mobile offshore drilling units (MODU));
- (iii) Green technology retrofits, including scrubbers, ballast water management systems and fuel saving technologies;
- (iv) Specialised projects, including jumboisation and dejumboisation; and
- (v) Full range of afloat and emergency repairs and services, including underwater cleaning and repairs as well as riding crew and voyage repairs.

Offshore Platforms

Offshore Platforms provides design and construction solutions for a wide range of offshore platforms, catering to the highest technical specifications for a global customer base.

The product areas include turnkey engineering, procurement, construction, transportation, installation, offshore hook-up, commissioning and brownfield solutions for:

- (i) Offshore wind energy fixed platforms (including substation platforms and wind turbine foundations);
- (ii) Offshore oil and gas fixed platforms (including integrated production facilities, utility and living quarters, compression and power generation, well head and risers, and jackets); and

- (iii) Onshore LNG and process modules.

Specialised Shipbuilding

Specialised Shipbuilding provides design and construction solutions for high-performance, specialised vessels.

The product areas include:

- (i) Gas value chain vessels (compressed gas liquid and LNG);
- (ii) Renewable energy support vessels and offshore support vessels (heavy-lift, pipe-lay and accommodation);
- (iii) Passenger and car ferries, expedition ships and cruise vessels;
- (iv) Naval support and security vessels; and
- (v) Research and scientific survey vessels.

The solutions of the Group's four commercial units are underpinned by a number of technology subsidiaries in the Group's global network, including:

- (a) LMG Marin, a naval architecture and ship design firm with over 75 years of history and an extensive portfolio of leading-edge vessel designs, including zero-emission vessel designs;
 - (b) Sevan SSP, known in the industry for its cylindrical hull solutions that are especially suited for harsh-environment operations; and
 - (c) Gravifloat, with its unique modular nearshore solutions such as LNG export and import terminals for the gas value chain.
- (c) **the general development of the business from the beginning of the period comprising the 3 most recently completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since –**
- (i) **the end of the most recently completed financial year for which financial statements of the relevant entity have been published; or**
 - (ii) **the end of any subsequent period covered by interim financial statements, if interim financial statements have been published**

General business developments in FY2018

Rigs & Floaters

In March 2018, the Group secured a contract from TechnipFMC to undertake the engineering, procurement, construction and integration of hull, living quarters, topside modules and owner-furnished equipment for a newbuild FPSO for deployment at the Energean-operated Karish and Tanin deepwater field developments in the Eastern Mediterranean.

In May 2018, the Group was awarded a contract by Shell Offshore Inc. to construct and integrate the hull, topsides and living quarters for the Vito semi-submersible FPU.

In May 2018, the Group completed the newbuild FSO Ailsa for subsequent delivery to the MODEC, Inc. group for deployment at the TOTAL-operated Culzean field in the UK North Sea.

In May 2018, the Group completed the sale of the semi-submersible rig West Rigel.

During FY2018, seven jack-up rigs were delivered to Borr Drilling and one jack-up rig was delivered to BOT Lease Co. In addition, the Group delivered the Kaombo Norte and the Kaombo Sul FPSO conversion projects to Saipem for the Kaombo field located in offshore Angola.

Through FY2018, the Group continued with the engineering and construction of Sleipnir, a semi-submersible crane vessel (SSCV) as well as the construction of two high-specification ultra-deepwater drillships for Transocean.

Engineering works also commenced for the following key offshore production contracts: (i) turnkey engineering, procurement and construction of a newbuild FPSO hull and living quarters for Equinor, to be deployed at the Johan Castberg field development in the Barents Sea; (ii) construction and integration of hull, topsides and living quarters for the Shell Vito semi-submersible FPU; and (iii) engineering, procurement, construction and integration of a newbuild FPSO hull, living quarters, topside modules and owner-furnished equipment for TechnipFMC.

Repairs & Upgrades

The Group performed a total of 296 dry-dockings, repairs and upgrades in FY2018, including 41 LNG ships serviced and upgraded. The Group also completed 10 cruise vessel projects.

Major offshore repairs and upgrades completed in FY2018 included the upgrading of FPSO Pyrenees Venture for the MODEC, Inc. group as well as repair and demucking works for Chevron Thailand's Benchamas FSO.

The Group completed a number of BWMS retrofit projects in FY2018, including three for Princess Cruise Lines. The Group also completed scrubber installation projects on a cruise ship and two tankers.

In FY2018, the Group achieved S\$160 million in new orders for retrofitting BWMS and gas scrubbers on 58 vessels. These included a major green technology retrofit contract from Maran Tankers for the installation of 13 marine scrubbers and four BWMS.

Offshore Platforms

In May 2018, the Group delivered the Maersk Oil Culzean topsides project, which were constructed at the Sembcorp Marine Admiralty Yard over 32 months. The topsides comprised wellhead, utilities, living quarters as well as a central processing facility.

In FY2018, the Group was awarded a contract for engineering, procurement, hook-up and commissioning works to deliver two offshore wind farm substation topsides to Ørsted Wind Power's subsidiary Optimus Wind Limited, which will be deployed at the Hornsea 2 Offshore Wind Farm in the United Kingdom North Sea.

Specialised Shipbuilding

In June 2018, the Company's subsidiary, LMG Marin, secured its first polar expedition cruise ship design contract, to be constructed for Quark Expeditions®, which specialises in expeditions to the Arctic and Antarctic aboard purpose-build expedition vessels.

In October 2018, the Group won its first design-and-construction Ropax Project comprising three identical zero-emissions battery powered ROPAX ferries.

Others

In September 2018, the Group completed the acquisition of, among others, the interests and titles to all of Sevan Marine ASA's intellectual property and 100 per cent. equity interest in HiLoad LNG AS (a subsidiary of Sevan Marine ASA which held certain intellectual property rights).

In September 2018, the Group also signed a memorandum of understanding with American Bureau of Shipping (ABS) and A*STAR's Institute of High Performance Computing (IHPC) to develop new technologies, applications and capabilities that advance the adoption of LNG as a globally preferred fuel.

General business developments in FY2019

Rigs & Floaters

In July 2019, the Group successfully delivered Sleipnir, a semi-submersible crane vessel (SSCV) to Heerema Marine Contractors.

In September 2019, the Group signed agreements with joint venture companies of Shapoorji Pallonji Oil and Gas Private Limited and Bumi Armada Berhad to convert Ariake, a very large crude carrier into an FPSO unit for deployment in the east coast of India. The project included hull repairs and upgrading as well as fabrication of at least three topside modules to be installed on the vessel.

In September 2019, the Group's Brazilian shipyard, EJA, completed Petrobras P-68 FPSO, its first floating production, storage and offloading project.

In November 2019, the Group was awarded a contract from Shell Offshore Inc. to build and integrate the topside and hull of a floating production unit (FPU) for the Whale field in the Gulf of Mexico. In addition, the Group delivered the Q7000 well intervention semi-submersible rig to Helix Energy Solutions Group.

Repairs & Upgrades

The Group serviced 280 vessels in FY2019, including 55 LNG-related repair and upgrade jobs.

In February 2019, the Group secured contracts for the repair and modernisation works on 13 cruise ships, as well as the large-scale refit of Asuka II, Japan's largest cruise ship, for NYK Cruises.

In September 2019, the Group added three new gas projects to its portfolio, namely: (i) the conversion of LNG tanker Dwiputra into a 125,000 cbm FSRU for a joint venture between Mitsui O.S.K. Lines, Ltd and Karpower International B.V.; (ii) the conversion of NYK Line's former gas carrier LNG Flora into a 127,000 cbm FSU for Gasfin Development S.A.; and (iii) upgrading works on the 173,400 cbm FSRU BW Magna for BW LNG Pte Ltd.

Offshore Platforms

In September 2019, the Group was awarded a contract with Jan De Nul NV to fabricate 15 jacket foundations for the Formosa 2 Offshore Wind Farm.

In December 2019, the Group was awarded two offshore platform contracts worth over S\$550 million to (i) fabricate two well head platforms for the Al Shaheen oil field in Qatari water, which will be bridge-linked to the field's existing facilities; and (ii) fabricate certain platforms and bridges for the Tyra field redevelopment project in the Danish North Sea.

Specialised Shipbuilding

In February 2019, the Group secured a new contract for its first LNG bunker vessel construction project - the design and construction of a 12,000 cbm LNG bunker vessel.

In FY2019, the Group continued the construction of three battery-powered ROPAX ferries, to be delivered in late 2020.

Others

In January 2019, the Company's wholly-owned subsidiaries, SMRU and Semb-Eco, entered into a share swap agreement with EGT and its shareholders, Mr Chew Hwee Hong and Neonlite Investment Pte Ltd, to exchange 20% of the issued share capital of EGT for 45% of the issued share capital of Semb-Eco. In connection with the foregoing, EGT had assigned to SMRU certain of its intellectual property and proprietary rights. In addition, SMRU acquired certain Semb-Eco core patents, which are applied in the development of the following offshore and marine solutions: (i) ballast water treatment; (ii) exhaust gas cleaning; (iii) biofouling control; and (iv) corrosion control.

In October 2019, the Company announced that the Group had achieved a full and final settlement of its claims under drillship contracts secured by the Group from Sete Group, subject to certain conditions precedent being fulfilled. The Company subsequently announced in February 2020 that all conditions precedent were fulfilled and the settlement agreement became effective. As part of the settlement agreement, the Group's arbitration proceedings against various subsidiaries of Sete Brasil were terminated.

General business developments in FY2020

In May 2020, the Company announced that the COVID-19 pandemic had resulted in delays in the execution and completion of its existing projects, and that the collapse in oil prices had significantly affected its securing of new orders.

On 8 June 2020, the Company announced a renounceable underwritten rights issue to raise gross proceeds of approximately S\$2.1 billion (the "**2020 Rights Issue**"). The Company also announced that the Group continued to be impacted by the following ongoing developments:

- operational and supply chain disruptions due to the COVID-19 pandemic and government measures to control the pandemic in Singapore; and
- major oil companies deferring their final investment decisions for project sanctions and cutting their capital expenditure significantly for 2020 due to low and volatile oil prices.

Due to the "circuit breaker" measures imposed by the Singapore government, the Group's yard production activities were suspended from 7 April 2020 to July 2020, which resulted in completion of the Group's ongoing projects being delayed. Sustained low and volatile oil prices also continued to affect the Group's securing of new orders, with no significant new orders having been secured since the beginning of FY2020 and up to 30 June 2020.

In addition, the Group's Repairs & Upgrades business has increasingly been affected by disruptions to global shipping and cruise operations.

In light of the foregoing, the Company had determined that it needed to recapitalise, address liquidity requirements and strengthen its balance sheet by way of the 2020 Rights Issue.

With the lifting of some COVID-19 measures in Singapore in June 2020, the Company was allowed to gradually resume yard operations on 6 July 2020. The Company worked closely with its customers to restart the execution of existing projects.

In July 2020, RWE Renewables, the owner of the 1.4 GW Sofia Offshore Wind Farm in the United Kingdom North Sea, selected the Company and its consortium partner GE Renewable Energy's Grid Solutions as the preferred suppliers for the wind farm's HVDC

electrical transmission system. The Company's scope of work in this project includes the design, construction, installation and commissioning of an offshore converter platform. Early design works have started, ahead of the Sofia Offshore Wind Farm's final investment decision in the first quarter of 2021.

On 15 July 2020, the Company announced that KPMG AI, the Independent Auditors for EJA had issued a disclaimer of opinion in their Independent Auditors' Report dated 13 July 2020 in relation to the financial statements of EJA for FY2019 ("**EJA FY2019 Financial Statements**") ("**KPMG AI Opinion**"). It was noted that the Brazilian authorities executed a search warrant at EJA's facilities on 3 July 2019, which was connected with the on-going investigations conducted in connection with Operation Car Wash in Brazil. As the internal investigation being conducted by external counsel under the supervision of the Special Committee of the Group is still in progress, the KPMG AI Opinion was issued as KPMG AI was unable to obtain sufficient appropriate audit evidence from the ongoing work and from other sources about the potential impact of this matter on the EJA FY2019 Financial Statements. As also announced on 15 July 2020, the KPMG AI Opinion does not have a material impact on the Group's financial position or consolidated financial statements for FY2019. As stated in the announcement on 15 July 2020, the KPMG AI Opinion does not change the audit opinion issued by KPMG LLP, the Independent Auditors of the Group, on 3 March 2020 on the Group's consolidated financial statements for FY2019.

Since January 2021, Premiumbravo Auditores has replaced KPMG AI as auditors of EJA. The independent auditor's opinion issued in relation to the financial statements of EJA for FY2020 is unqualified.

On 11 August 2020, the Company announced that the resolution to approve, *inter alia*, the 2020 Rights Issue was approved and passed by Shareholders at the extraordinary general meeting convened on 11 August 2020.

On 14 August 2020, the Company announced the offer information statement in connection with the 2020 Rights Issue had been lodged with MAS.

On 3 September 2020, the Company announced that SMIY and Sembawang Shipyard Project Services Pte Ltd, both wholly-owned subsidiaries of the Company, amalgamated pursuant to Section 215D of the Companies Act, with SMIY as the surviving amalgamated entity with effect from 1 September 2020.

On 7 September 2020, the Company announced that as at the close of the 2020 Rights Issue, valid acceptances and excess applications were received for 9,434,192,612 rights shares, representing approximately 90.2 per cent. of the 10,462,690,870 rights shares available under the 2020 Rights Issue. Pursuant to the sub-underwriting agreement entered into between Startree and the Company, Startree subscribed for the balance 1,028,498,258 unsubscribed rights shares.

On 10 September 2020, the Company announced that the 10,462,690,870 rights shares were expected to be allotted and issued on 11 September 2020 pursuant to the 2020 Rights Issue.

General business developments from 1 January 2021 to the Latest Practicable Date

On 29 March 2021, the Company announced that the Company and GE Renewable Energy's Grid secured a contract from RWE Renewables, to supply the HVDC electrical transmission system for the Sofia Offshore Wind Farm. The HVDC system represents Sofia's second largest contract and is worth approximately £600 million (\$\$1.12 billion).

On 31 March 2021, the Company gave notice that it recorded pre-tax losses for the three most recently completed consecutive financial years (based on audited full year consolidated accounts) and that its latest 6-month average daily market capitalisation as at 30 March 2021 was S\$1.892 billion.

On 7 June 2021, the Company announced that JSPL, a wholly-owned subsidiary of the Company, had entered into amendment agreements with Transocean to revise the delivery dates of two ultra-deepwater drillships it had contracted to build for Transocean. Under the amendment agreements, the delivery dates of the two vessels have been rescheduled to December 2021 for the first vessel, Deepwater Atlas, and May 2022 for the second vessel, Deepwater Titan.

On 24 June 2021, the Company announced that it proposes to undertake the Rights Issue to raise gross proceeds of approximately S\$1.5 billion.

On 24 June 2021, the Company announced that it had entered into the MOU with KCL on 24 June 2021 to explore the Potential Combination.

On 30 June 2021, the Company announced that EJA had secured an Amendment Contract from Tupi B.V. valued at about US\$175 million (approximately S\$230 million) for modification work to be completed on the Floating Production Storage and Offloading (FPSO) P-71 oil and gas vessel.

On 23 August 2021, the Company announced that the Rights Issue Resolution was approved and passed by Shareholders at the EGM convened on 23 August 2021.

(d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing –

(i) in the case of the equity capital, the issued capital; or

(ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;

As at the Latest Practicable Date, the issued share capital of the Company is approximately S\$2,581 million. As at the Latest Practicable Date, the Company has 12,555,639,661 Shares (excluding 6,223 Shares held in treasury) (the “Existing Share Capital”).

As at the Latest Practicable Date, the Company does not have any issued and outstanding debentures. In this regard, as at the Latest Practicable Date, JSPL has issued certain medium term notes (as further described below) under the Company’s S\$2 billion multicurrency multi-issuer debt issuance programme (under which the Company and certain of its subsidiaries may from time to time issue notes and/or perpetual securities). The obligations in respect of securities issued by the Company’s subsidiaries under such programme will be unconditionally and irrevocably guaranteed by the Company.

Securities	Amount issued	Amount outstanding	Coupon per annum
Medium term notes due 2021	S\$275,000,000	S\$275,000,000	2.95%
Medium term notes due 2029	S\$325,000,000	S\$325,000,000	3.85%

(e) where –

(i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or

(ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;

As at the Latest Practicable Date, the interests of the Substantial Shareholders in Shares as recorded in the Register of Substantial Shareholders and additionally, in the case of Temasek, based on information made available by Temasek to the Company are as follows:

Substantial Shareholder	Direct Interest	Number of Shares		
		% ⁽¹⁾	Deemed Interest	% ⁽¹⁾
Startree	5,353,126,468	42.6	-	-
FMPL ⁽²⁾	-	-	5,353,126,468	42.6
Temasek ⁽³⁾	-	-	5,354,955,377	42.6

Notes:

- (1) Based on 12,555,639,661 Shares in issue (excluding 6,223 treasury shares) as at the Latest Practicable Date.
- (2) FMPL is deemed to be interested in the 5,353,126,468 Shares held by Startree.
- (3) Temasek is deemed to be interested in (i) 5,353,126,468 Shares held by Startree; and (ii) 1,828,909 Shares held by DBS Group, an independently-managed and operated portfolio company of Temasek.

- (f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;**

Save as disclosed, as at the date of this Offer Information Statement, the Directors are not aware of any legal or arbitration proceedings to which any member of the Group is a party or which is pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of this Offer Information Statement, a material effect on the financial position or profitability of the Group.

- (g) where any securities, securities-based derivatives contracts or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –**

- (i) if the securities, securities-based derivatives contracts or equity interests have been issued for cash, state the prices at which the securities or securities-based derivatives contracts have been issued and the number of securities, securities-based derivatives contracts or equity interests issued at each price; or**

On 11 September 2020, the Company allotted and issued 10,462,690,870 new Shares at an issue price of S\$0.20 each pursuant to the 2020 Rights Issue.

- (ii) if the securities, securities-based derivatives contracts or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities, securities-based derivatives contracts or equity interests;**

Not applicable. The Company has not issued any securities, securities-based derivatives contracts or equity interests in return for services (in the sense of services provided by a service provider as opposed to services provided in the course of employment) within the 12 months immediately preceding the Latest Practicable Date.

For the avoidance of doubt, the Company has from time to time granted awards under the RSP 2010 and RSP 2020 to directors and employees of the Group as well as awards under the PSP 2010 to key executives of the Group, and has allotted and issued Shares and/or transferred existing Shares (including treasury shares) pursuant to the release of such awards.

- (h) a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.

Save as disclosed below, the members of the Group have not entered into any material contracts outside the ordinary course of business for the period of two years immediately preceding the date of lodgment of this Offer Information Statement:

- (i) the Management and Underwriting Agreement, the details of which are set out under paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*”;
- (ii) the Undertaking Agreement, the details of which are set out under paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*”;
- (iii) the MOU, details of which are set out under paragraph 10 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 5 – Operating and Financial Review and Prospects Operating Results*”;
- (iv) an Underwriting and Management Agreement dated 8 June 2020 entered into between the Company and DBS Bank Ltd. as the sole financial adviser, lead manager and underwriter in relation to the 2020 Rights Issue, pursuant to which the Company paid DBS Bank Ltd., as the sole financial adviser, lead manager and underwriter to the 2020 Rights Issue, an underwriting commission of approximately S\$889,000;
- (v) the undertaking agreement dated 8 June 2020 entered into between SCI and the Company in relation to the 2020 Rights Issue (the “**SCI Undertaking Agreement**”);
- (vi) an Amendment Agreement dated 4 June 2020 (in respect of the Subordinated Credit Facility Agreement dated 21 June 2019 entered into between SFS as lender, SMFS as borrower and the Company as guarantor, pursuant to which SFS provided SMFS with a five-year subordinated loan of S\$2 billion) entered into by SFS as lender, SMFS as borrower and the Company as guarantor, pursuant to which SFS and SMFS agreed to, *inter alia*, extend the availability period for the balance principal amount of S\$0.5 billion which remains undrawn;
- (vii) the deed of amendment dated 8 June 2020 entered into by SCI, SFS, the Company and SMFS to facilitate the set off arrangements in respect of SCI’s subscription and payment in full for 7,500,000,000 of the Shares issued pursuant to the 2020 Rights Issue which SCI had undertaken to subscribe and pay for pursuant to the SCI Undertaking Agreement; and
- (viii) an agreement dated 9 October 2019 entered into between Dolphin Shipping Company Private Limited, a wholly-owned subsidiary of the Company, PACC Offshore Services Holdings Ltd. and Pacific Workboats Pte. Ltd. in connection with the disposal of a 50 per cent. shareholding interest in the capital of Pacific Workboats Pte. Ltd. to PACC Offshore Services Holdings Ltd. for an aggregate consideration of approximately US\$0.7 million and a distribution of dividends *in specie*.

PART 5 – OPERATING AND FINANCIAL REVIEW AND PROSPECTS OPERATING RESULTS

1. Provide selected data from –
 - (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recently completed financial years) for which that statement has been published; and
 - (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.

2. The data mentioned in paragraph 1 of this Part must include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and must in addition include the following items:
 - (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
 - (b) earnings or loss per share;
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.

Set out below are the audited consolidated income statements of the Group for FY2018, FY2019 and FY2020 and the unaudited consolidated income statements of the Group for 1H2020 and 1H2021.

	← Audited →			← Unaudited →	
	FY2018 S\$'000	FY2019 S\$'000	FY2020 S\$'000	1H2020 S\$'000	1H2021 S\$'000
Turnover	4,887,866	2,882,560	1,510,280	906,199	844,186
Cost of sales	(4,884,772)	(2,974,378)	(2,000,743)	(1,100,784)	(1,432,433)
Gross profit/(loss)	3,094	(91,818)	(490,463)	(194,585)	(588,247)
Other operating income	49,608	44,879	146,136	93,150	68,163
Other operating expenses	(2,811)	(6,325)	(143,931)	(24,511)	(143,950)
General and administrative expenses	(102,214)	(85,526)	(93,287)	(46,827)	(44,898)
Operating loss	(52,323)	(138,790)	(581,545)	(172,773)	(708,932)
Finance income	55,026	93,275	51,625	29,909	22,882
Finance costs	(101,356)	(130,027)	(141,802)	(79,000)	(42,133)
Non-operating income	141	185	501	501	-
Share of results of associates and joint ventures, net of tax	(2,385)	(1,603)	513	550	663
Loss before tax	(100,897)	(176,960)	(670,708)	(220,813)	(727,520)
Tax credit	22,531	36,773	83,500	26,476	78,013
Loss for the year/period	(78,366)	(140,187)	(587,208)	(194,337)	(649,507)
Loss attributable to:					
Owners of the Company	(74,131)	(137,174)	(582,510)	(192,146)	(647,242)
Non-controlling interests	(4,235)	(3,013)	(4,698)	(2,191)	(2,265)
Loss for the year/period	(78,366)	(140,187)	(587,208)	(194,337)	(649,507)

	← Audited →			← Unaudited →	
	FY2018	FY2019	FY2020	1H2020	1H2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Dividends per Share (cents)	-	-	-	-	-
EPS ^{(1), (2)} (cents)	(3.42) ⁽³⁾	(6.32) ⁽³⁾	(10.88)	(8.83) ⁽³⁾	(5.16)
After the Rights Issue	FY2018	FY2019	FY2020	1H2020	1H2021
EPS after the Rights Issue ⁽⁴⁾ (cents)	(0.31)	(0.58)	(2.39)	(0.91)	(2.06)

Notes:

- (1) EPS = Net loss attributable to owners of the Company / Weighted average number of Shares outstanding (excluding treasury shares).
- (2) The EPS is calculated based on the weighted average number of 2,168,910,571 Shares, 2,169,699,000 Shares, 5,353,182,000 Shares, 2,176,872,000 Shares and 12,555,229,000 Shares for FY2018, FY2019, FY2020, 1H2020 and 1H2021, respectively.
- (3) With the completion of the issuance of rights shares on 11 September 2020, prior year/period comparatives for earnings per share were restated per SFRS(I)1-33 through retrospective application of a bonus factor to the weighted average number of shares. The bonus factor is derived from the division of fair value per share immediately before the exercise of rights by the theoretical ex-rights fair value.
- (4) Adjusted for 18,833,459,491 Rights Shares that were assumed to have been issued on the first day of the financial year/period, and took into account interest income arising from bank deposit of S\$1.5 billion, calculated on a post-tax basis.

3. Despite paragraph 1 of this Part, where –

- (a) **unaudited financial statements of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the unaudited consolidated financial statements of the relevant entity or unaudited combined financial statements of the group, have been published in respect of the most recently completed financial year; and**
- (b) **the audited financial statements for that year are unavailable,**

the data mentioned in paragraph 1 of this Part in respect of the most recently completed financial year may be provided from such unaudited financial statements, if the directors or equivalent persons of the relevant entity include a statement in the offer information statement that to the best of their knowledge, they are not aware of any reason which could cause the unaudited financial statements to be significantly different from the audited financial statements for the most recently completed financial year.

4. In respect of –

- (a) **each financial year (being one of the 3 most recently completed financial years) for which financial statements have been published; and**
- (b) **any subsequent period for which interim financial statements have been published,**

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

A review of the past performance of the Group from FY2018 to 1H2021 is set out below.

FY2019 compared to FY2018

Turnover

The Group's revenue for FY2019 totalled S\$2.88 billion, compared with S\$4.89 billion booked in FY2018. This was mainly due to lower revenue recognition from Rigs & Floaters and Offshore Platforms projects, mitigated by higher revenue from Repairs & Upgrades.

On a segmental basis:

- (i) Revenue for Rigs & Floaters was S\$2.07 billion in FY2019, compared with S\$4.15 billion in FY2018. The higher revenue in FY2018 had been due to revenue recognition on delivery of seven jack-up rigs to Borr Drilling, one jack-up to BOT Lease and the sale of a semi-submersible rig. Revenue in FY2019 was mainly contributed by higher percentage recognition from ongoing drillship and floater projects. They included the two Transocean drillships, the Shell Vito FPU, the Johan Castberg FPSO and the Karish FPSO projects.
- (ii) Offshore Platforms revenue was S\$131 million in FY2019 with revenue recognition from the Hornsea 2 wind farm substations and Tangguh gas modules projects. FY2018 revenue of S\$184 million was higher on contributions from the Culzean platform projects, which were completed and delivered in June 2018.
- (iii) Revenue from Repairs & Upgrades totalled S\$605 million in FY2019, which was 27% higher than the S\$476 million in FY2018 with higher revenue per vessel at S\$2.16 million (as compared to S\$1.61 million in FY2018) on improved vessel mix of higher-value works. A total of 280 vessels were repaired or upgraded at the Group's yards in the year (as compared to 296 units in FY2018).

In FY2019, Rigs & Floaters continued to account for the largest share of revenue at 72%; Offshore Platforms contributed 5%; Repairs & Upgrades contributed 21%; Specialised Shipbuilding contributed 1% and other activities contributed the remaining 1%.

Earnings

The Group's operating loss for FY2019 was S\$139 million, compared with FY2018's operating loss of S\$52 million. While margins continued to be recognised from newly secured floater projects, FY2019's operating loss was mainly due to continued low overall business volumes, and accelerated depreciation of S\$48 million arising from the Group's transformation and yard consolidation strategy.

The Group incurred net finance costs of S\$37 million, lower compared with S\$46 million for FY2018, due to higher interest income earned in FY2019.

FY2019's net loss attributable to owners of the Company was S\$137 million, compared to the net loss attributable to owners of the Company of S\$74 million reported in FY2018. This was due mainly to the accelerated depreciation for the Tanjong Kling Yard of S\$48 million and continued low overall business volume. It was partly offset by profits from the Repairs & Upgrades business, which rose on improved margins and better product mix.

FY2020 compared to FY2019

Turnover

The Group's turnover for FY2020 was S\$1.51 billion, a decrease of 48%, due to the adverse impact of the COVID-19 pandemic on the macro-environment and the resulting oil price volatility. Delays in execution of existing projects and the securing of new projects contributed to the lower

turnover. FY2020 revenue recognition was lower for Rigs & Floaters and Repairs & Upgrades businesses, mitigated by higher revenue recognition for Specialised Shipbuilding and Offshore Platforms businesses, which included renewable energy solutions.

On a segmental basis:

- (i) Rigs & Floaters business earned S\$674 million in revenue during FY2020, compared with the S\$2.07 billion for the previous year. The lower revenue was due to production stoppages from April to July 2020 as a result of COVID-19 restrictions, and lower rig-building activity, a reflection of weak oil prices. Rig-building revenue totalled S\$158 million in FY2020, with most of the revenue booked from the two Transocean advanced drillship projects. Revenue from floaters was S\$517 million in FY2020, a 59% decrease from FY2019. Revenue was recognised from Johan Castberg FPSO, Karish FPSO, P-71 FPSO, Shell Vito and Whale FPU and FPSO conversion for Shapoorji.
- (ii) Turnover for Offshore Platforms more than doubled to S\$310 million in FY2020 from S\$131 million in FY2019. Besides Fixed Production Platforms projects such as Tyra and Gallaf, the improved revenue came from notable renewable solutions projects under execution. These included: Ørsted Hornsea 2 Wind Farm Offshore Substation and Reactive Compensation Station Topsides; Jan De Nul Formosa 2 Offshore Wind Farm Wind Turbine Jacket Foundations; and early design works for RWE Renewables Sofia Offshore Wind Farm HVDC offshore converter platform. The Group delivered the Tangguh LNG modules in June 2020 and the Offshore Wind Farm Jacket Foundations for the Hornsea 2 project in August 2020.
- (iii) Repairs & Upgrades were similarly affected by production stoppages associated with COVID-19 measures. Revenue from this segment declined by 30% to S\$425 million in FY2020. While overall revenue decreased, revenue per vessel increased to S\$2.91 million compared to S\$2.16 million for the prior year, due to improved product mix. The Group continues to benefit from the new IMO regulations on ballast water treatment and fuel sulphur reduction. In 2020, the Group completed 34 Ballast Water Management Systems retrofit projects and 16 scrubber projects. The Group will continue to drive its growth in these green technology retrofit solutions and related works. The Repairs and Upgrades team serviced a total of 146 vessels in FY2020 including FSRU, as well as cruise ships.
- (iv) Specialised Shipbuilding revenue was S\$55 million in FY2020, up from S\$35 million in FY2019. Ongoing projects include three units of battery-operated Ropax (Roll-on/Roll-off Passenger) ferries as well as a 12,000 cbm LNG bunker vessel project.

In FY2020, Rigs & Floaters continued to account for the largest share of revenue at 45%; Offshore Platforms contributed 21%; Repairs & Upgrades contributed 28%; Specialised Shipbuilding contributed 4% and other activities contributed the remaining 2%.

Earnings

The Group recorded a net loss attributable to owners of the Company of S\$583 million in FY2020. This was mainly due to the disruption from the COVID-19 pandemic causing (i) delays in projects execution and securing of new projects, resulting in lower overall business volumes; (ii) incurrence of higher overall costs for all projects, especially for Rigs & Floaters and Specialised Shipbuilding projects; as well as (iii) S\$144 million of asset impairments and provisions. The loss was partly offset by profit from Repairs & Upgrades and Offshore Platforms businesses, which included Renewable Solutions; and government grants for the COVID-19 pandemic.

The S\$144 million impairments and provisions, which on a pre-tax basis, amounted to S\$162 million, included (i) an increase in provisions of S\$74 million for reinstating the Group's vacated Tanjong Kling Yard; (ii) an impairment loss of S\$49 million on a marine vessel; (iii) a write down of inventory relating to jack-up equipment amounting to S\$34 million; and (iv) an expected credit loss on receivables from a customer of S\$5 million.

1H2021 compared to 1H2020

Turnover

The Group's turnover for 1H2021 was S\$844 million, a decrease of 7% from 1H2020, mainly due to lower revenue recognition from Rigs & Floaters, Repairs & Upgrades and Specialised Shipbuilding projects, mitigated by higher revenue recognition from Offshore Platforms projects. The lower revenue recognition was mainly attributed to the ongoing COVID-19 disruptions that caused delays in the execution and completion of existing projects.

On a segmental basis:

- (i) Revenue for Rigs & Floaters was S\$269 million in 1H2021, compared with S\$459 million in 1H2020. The decline in revenue reflected significantly lower offshore rig building activity and the production stoppages due to COVID-19 manpower constraints.
- (ii) Offshore Platforms revenue more than doubled to S\$296 million for 1H2021 from S\$130 million in 1H2020, This included revenue derived from ongoing renewable solution projects under execution such as Ørsted Hornsea 2 Wind Farm Reactive Compensation Station Topsides, Jan De Nul Formosa 2 Offshore Wind Farm Wind Turbine Jacket Foundations and RWE Renewables Sofia Offshore Wind Farm.
- (iii) Revenue from Repairs & Upgrades was S\$238 million in 1H2021, which was 8% lower than S\$258 million in 1H2020 with lower revenue per vessel, despite larger number of vessels serviced.
- (iv) Specialised Shipbuilding revenue was S\$14 million in 1H2021, which declined from S\$35 million in 1H2020. Ongoing projects include three units of battery-operated Ropax (Roll-on/Roll-off Passenger) ferries as well as a 12,000 cbm LNG bunker vessel project.

In 1H2021, Offshore Platforms segment was the largest contributor, constituting 35% of total turnover, followed by Repairs & Upgrades at 28%, Rigs & Floaters at 32%, Specialised Shipbuilding at 2%, and Other activities at 3%.

Earnings

Reflecting the push-out of delivery dates for its ongoing projects, as well as significantly higher provisions of manpower and other costs to complete its ongoing projects over the next 6 to 18 months, the Group registered a net loss attributable to owners of the Company of S\$647 million for 1H2021. This was a severe deterioration compared to the net loss attributable to owners of the Company of S\$192 million for 1H2020.

The S\$647 million net loss attributable to owners of the Company takes into account the following provisions totalling S\$472 million (post-tax basis): (i) additional labour and other costs to be incurred over the next 6 to 18 months to complete existing projects of S\$361 million; (ii) an increase in provisions for yards' reinstatement of S\$65 million; and (iii) an increase in asset impairment loss of S\$46 million.

Financial Position

5. **Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of –**
 - (a) **the most recently completed financial year for which audited financial statements have been published; or**
 - (b) **if interim financial statements have been published for any subsequent period, that period.**

6. The data mentioned in paragraph 5 of this Part must include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and must in addition include the following items:
- number of shares after any adjustment to reflect the sale of new securities or securities-based derivatives contracts;
 - net assets or liabilities per share;
 - net assets or liabilities per share after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.

Set out below are the audited balance sheet of the Group as at 31 December 2020 and the unaudited balance sheet of the Group as at 30 June 2021.

	← Audited → 31 December 2020 S\$'000	← Unaudited → 30 June 2021 S\$'000
Non-current assets		
Property, plant and equipment	4,114,919	4,005,308
Right-of-use assets	251,016	247,436
Interests in associates and joint ventures	15,423	16,142
Other financial assets	4,570	2,791
Trade and other receivables	1,105,551	1,123,955
Contract assets	-	431,812
Intangible assets	220,999	209,782
Deferred tax assets	117,283	205,004
	5,829,761	6,242,230
Current assets		
Inventories	94,361	94,852
Trade and other receivables	618,103	282,717
Contract costs	52,703	51,870
Contract assets	1,551,913	1,338,953
Tax recoverable	17,117	18,549
Other financial assets	33,840	13,611
Cash and cash equivalents	772,426	788,293
	3,140,463	2,588,845
Total assets	8,970,224	8,831,075
Current liabilities		
Trade and other payables	1,052,269	1,426,063
Contract liabilities	154,288	169,305
Provisions	38,005	37,493
Other financial liabilities	4,742	4,064
Current tax payable	7,056	10,654
Interest-bearing borrowings	2,121,394	1,614,037
Lease liabilities	22,100	21,714
	3,399,854	3,283,330
Net current assets/(liabilities)	(259,391)	(694,485)

	← Audited → 31 December 2020 S\$'000	← Unaudited → 30 June 2021 S\$'000
Non-current liabilities		
Deferred tax liabilities	26,852	30,231
Provisions	142,800	229,565
Other financial liabilities	722	-
Interest-bearing borrowings	1,428,400	1,977,767
Lease liabilities	269,467	263,364
Other long-term payables	5,982	3,703
	1,874,223	2,504,630
Total liabilities	5,274,077	5,787,960
Net assets	3,696,147	3,043,115
Equity attributable to owners of the Company		
Share capital	2,575,374	2,575,374
Other reserves	(57,555)	(60,794)
Revenue reserve	1,149,577	502,060
	3,667,396	3,016,640
Non-controlling interests	28,751	26,475
Total equity	3,696,147	3,043,115
NTA		
	31 December 2020	30 June 2021
Number of Shares (excluding 416,840 treasury shares) before the Rights Issue	12,555,229,044	12,555,229,044
NTA per Share before the Rights Issue (cents) ⁽¹⁾	27.45	22.36
Number of Shares (excluding 6,223 treasury shares) after the Rights Issue based on issuance of 18,833,459,491 Rights Shares	31,389,099,152	31,389,099,152
NTA per Share after the Rights Issue (cents) ⁽¹⁾	15.74 ⁽²⁾	13.71 ⁽²⁾

Notes:

- (1) NTA per Share = (Equity attributable to owners – Intangible assets) / Number of Shares outstanding (excluding treasury shares).
- (2) Assuming that (i) the Rights Shares had been allotted and issued on 31 December 2020 and 30 June 2021 in calculating the financial effects on NTA per Share after the Rights Issue as at 31 December 2020 and 30 June 2021 respectively; (ii) the amount of net proceeds from the issue of the Rights Shares, after deducting estimated expenses of approximately S\$11.0 million to be incurred in connection with the Rights Issue, is approximately S\$1.5 billion; and (iii) all of the expenses from the Rights Issue are capitalised.

Liquidity and Capital Resources

7. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of –
- the most recently completed financial year for which financial statements have been published; and
 - if interim financial statements have been published for any subsequent period, that period.

Set out below are the audited consolidated statement of cash flows of the Group for FY2020 and the unaudited consolidated statement of cash flows the Group for 1H2021.

	← Audited → FY2020 S\$'000	← Unaudited → 1H2021 S\$'000
Cash flows from operating activities:		
Loss for the year/period	(587,208)	(649,507)
Adjustments for:		
Finance income	(51,625)	(22,882)
Finance costs	141,802	42,133
Depreciation of property, plant and equipment, and right-of-use assets	173,800	84,869
Amortisation of intangible assets	27,929	12,863
Share of results of associates and joint ventures, net of tax	(513)	(663)
Gain on disposal of property, plant and equipment	(947)	(2,425)
Loss on termination of lease liabilities	2	-
Gain on disposal of assets held for sale	(501)	-
Changes in fair value of financial instruments	(19,764)	19,850
Impairment losses on property, plant and equipment	48,989	45,776
Impairment losses on right-of-use assets	74,191	66,477
Share-based payment expenses	1,461	-
Property, plant and equipment written off	43	5
Inventories written down/(back), net	34,179	88
Allowance for/(write-back of) doubtful debts and bad debts, net	9,020	2,039
Tax credit	(83,500)	(78,013)
Operating profit/(loss) before working capital changes	(232,642)	(479,390)
Changes in working capital:		
Inventories	(15,432)	(579)
Contract costs	35,937	833
Contract assets	(89,573)	(218,852)
Contract liabilities	94,102	15,017
Trade and other receivables	(119,253)	330,340
Trade and other payables	(261,980)	300,085
Provisions	-	86,176
Cash generated from/(used in) operations	(588,841)	33,630
Interest income received	9,135	1,259
Interest paid	(162,309)	(31,907)
Tax paid	(7,876)	(4,937)
Net cash used in operating activities	(749,891)	(1,955)

	← Audited → FY2020 S\$'000	← Unaudited → 1H2021 S\$'000
Cash flows from investing activities:		
Purchase of property, plant and equipment	(89,220)	(23,712)
Proceeds from sale of property, plant and equipment	2,025	2,727
Purchase of intangible assets	(2,411)	(1,523)
Proceeds from disposal of asset held for sale	1,467	-
Dividend received from joint venture	-	32
Net cash used in investing activities	(88,139)	(22,476)
Cash flows from financing activities:		
Proceeds from borrowings	2,397,351	1,052,887
Repayment of borrowings	(1,736,533)	(1,001,636)
Proceeds from rights issue, net	586,587	-
Payment of lease liabilities	(21,704)	(10,384)
Payment on termination of lease liabilities	(50)	-
Dividends paid to non-controlling interests of subsidiaries	(103)	-
Capital contribution by non-controlling interests of subsidiaries	17	-
Net cash generated from financing activities	1,225,565	40,867
Net increase/(decrease) in cash and cash equivalents	387,535	16,436
Cash and cash equivalents at beginning of the year/period	389,250	772,426
Effect of exchange rate changes on balances held in foreign currencies	(4,359)	(569)
Cash and cash equivalents at end of the year/period	772,426	788,293

A review of the cash flow and liquidity of the Group for FY2020 and 1H2021 is set out below.

FY2020

As at 31 December 2020, the Group's cash and cash equivalents amounted to S\$772 million.

Net cash used in operating activities for FY2020 was S\$750 million. This was mainly due to the impact of COVID-19, with lower operating cash inflows from less operating activities, and increased costs, resulting in higher net working capital needs.

Net cash used in investing activities for FY2020 was S\$88 million, significantly lower than FY2019's S\$312 million. This was the result of ongoing Group-wide discipline to defer all non-essential capital expenditures to preserve cash flow and manage overall liquidity prudently.

Net cash generated from financing activities for FY2020 was S\$1.23 billion. This related mainly to the net proceeds of S\$0.6 billion from the 2020 Rights Issue, as well as drawdown of existing facilities as part of liquidity management due to the uncertain circumstances in FY2020.

Cash and cash equivalents increased in FY2020 to S\$772 million, again due mainly to net proceeds from borrowings, and the 2020 Rights Issue. The increase is offset by capital expenditures and net working capital for ongoing projects.

1H2021

As at 30 June 2021, the Group's cash and cash equivalents amounted to S\$788 million.

Cash flows used in operating activities before changes in working capital were S\$479 million in 1H2021. Net cash used in operating activities for 1H2021 was S\$2 million, mainly due to working capital for ongoing projects and net interest paid, offset by receipts from completed projects.

Net cash used in investing activities for 1H2021 was S\$22 million, mainly due to purchase of property, plant and equipment.

Net cash generated from financing activities for 1H2021 was S\$41 million. It related mainly to net proceeds from borrowings, offset by payment on lease liabilities.

8. **Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgment of the offer information statement, is sufficient for at least the next 12 months and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided. When ascertaining whether working capital is sufficient, any financing facilities which are not available as at the date of lodgment of the prospectus must not be included, but net proceeds from the offer may be taken into account if the offer is fully underwritten. Where the offer is not fully underwritten, minimum net proceeds may be included only if it is an express condition of the offer that minimum net proceeds are to be raised and that the application moneys will be returned to investors if the minimum net proceeds are not raised.**

As a result of the entry into the Undertaking Agreement and the Management and Underwriting Agreement, all of the Rights Shares to be allotted and issued by the Company under the Rights Issue will be fully subscribed and paid for and the Company will receive net proceeds of approximately S\$1.5 billion.

In the reasonable opinion of the Directors, as at the date of lodgment of this Offer Information Statement, taking into consideration the Group's internal resources, present bank facilities and the net proceeds of the Rights Issue and barring any unforeseen circumstances, the working capital available to the Group is sufficient for at least the next 12 months.

9. **If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the relevant entity, provide –**
- (a) **a statement of that fact;**
 - (b) **details of the credit arrangement or bank loan; and**
 - (c) **any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**

To the best of the Directors' knowledge, at the date of lodgment of this Offer Information Statement, none of the entities in the Group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the Company.

Trend Information and Profit Forecast or Profit Estimate

10. Discuss –

- (a) the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, for the next 12 months from the latest practicable date; and
- (b) any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources for at least the current financial year, or that may cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.

The discussion on the business and financial prospects of the Group as set out herein may contain forward-looking statements, and are subject to certain risks. Please refer to the section titled “*Cautionary Note on Forward-Looking Statements*” of this Offer Information Statement for further details. Please also refer to the section “*Risk Factors*” for further information on the risks relating to the Group’s business and the Rights Issue.

Prospects

The Group continues to face uncertainties arising from the COVID-19-led measures of border controls, as well as workforce supply and quarantine restraints. Continuing efforts to resolve the skilled manpower shortage on a timely basis is a key priority to address the risk of further project delays or terminations. The Group has also actively undertaken measures to improve project execution, replenish temporary working capital depletion and enhance the Group’s liquidity position. However the Group expects to incur losses in 2H2021 because of insufficient revenues to cover overhead costs. Please refer to paragraph 5 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 7 – Additional Information*” for further details.

Non-Binding Memorandum of Understanding

The Company had entered into a non-binding Memorandum of Understanding (the “**MOU**”) with KCL on 24 June 2021 to enter into exclusive negotiations to explore a potential combination of the Company and KOM, a subsidiary of KCL (the “**Potential Combination**”).

The Potential Combination envisages, subject to due diligence and further negotiation, a combination of the entire operating business of KOM (excluding legacy rig assets and associated receivables) with the Company to create a stronger combined entity (the “**Combined Entity**”).

The Potential Combination is in response to dramatic changes in the global O&M engineering and energy sectors, which are seeing a major global transition away from oil. Several global peers of the Company and KOM have pursued consolidations to create scale, retain talent, more effectively use their asset bases, and position themselves for new opportunities arising from the energy transition.

The Company believes that if completed, the Potential Combination would create a stronger single entity to seize growing market opportunities especially in the renewable and clean energy sectors. The Combined Entity would be better positioned to compete for larger contracts, whilst pursuing synergies that can arise from the increased operational scale and broader geographic footprint.

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. Pursuant to the terms of the MOU, if the Potential Combination is completed, it is envisaged that the Combined Entity will be a listed entity and the Shareholders will hold shares in the Combined

Entity, while KCL will receive shares in the Combined Entity and a cash consideration of up to S\$500 million (or a cash component with the economic equivalent effect). 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 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. Shareholders should note that discussions are at a preliminary stage and there is no assurance that the discussions will lead to definitive agreements being entered into nor is there any certainty that the Potential Combination will occur. Any definitive agreements that the respective parties may agree upon may also be conditional in nature and are likely to be subject to the approval of the shareholders of both the Company and KCL.

- 11. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**

No profit forecast is disclosed in this Offer Information Statement.

- 12. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**

No profit forecast or profit estimate is disclosed in this Offer Information Statement.

- 13. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions mentioned in paragraph 12 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**

No profit forecast is disclosed in this Offer Information Statement.

- 14. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement mentioned in paragraph 13 of this Part –**

(a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or

(b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

No profit forecast is disclosed in this Offer Information Statement.

- 15. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement mentioned in paragraph 13 of this Part –**

(a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, prepared on the basis of an examination by that issue manager or person of the

evidence supporting the assumptions mentioned in paragraph 12 of this Part, to the effect that no matter has come to the attention of that issue manager or person which gives that issue manager or person reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or

- (b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

No profit forecast is disclosed in this Offer Information Statement.

Significant Changes

16. Disclose any event that has occurred from the end of –

- (a) the most recently completed financial year for which financial statements have been published; or
- (b) if interim financial statements have been published for any subsequent period, that period,

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate statement to that effect.

Save as disclosed in this Offer Information Statement, there is no event that has occurred from 1 July 2021 to the Latest Practicable Date which may have a material effect on the Group's financial position and results.

Meaning of "published"

17. In this Part, "published" includes publication in a prospectus, in an annual report or on the SGXNET.

Noted.

PART 6 – THE OFFER AND LISTING

Offer and Listing Details

- 1. Indicate the price at which the securities or securities-based derivatives contracts are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgment of the offer information statement, state the method by which the offer price is to be determined and explain how the relevant entity will inform investors of the final offer price.**

The Issue Price is S\$0.08 for each Rights Share, payable in full upon acceptance of all or part of a provisional allotment of Rights Shares and, if applicable, upon the application for Excess Rights Shares.

The expenses incurred in the Rights Issue will not be specifically charged to subscribers of the Rights Shares. The expenses incurred in the Rights Issue will be deducted from the gross proceeds received by the Company from the Rights Issue.

For Electronic Applications made through ATMs of the Participating Bank, a non-refundable administrative fee of S\$2.00 for each application will be charged by the Participating Bank at the point of application. No administrative fee will be borne by the subscribers of the Rights Shares for each successful Electronic Application made through an Accepted Electronic Service.

- 2. If there is no established market for the securities or securities-based derivatives contracts being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**

Not applicable. The Shares are, and the Rights Shares will be, listed, quoted and traded on the Main Board of the SGX-ST.

- 3. If –**
 - (a) any of the relevant entity’s shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered; and**
 - (b) the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,**

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

Not applicable. Save for the Rights Issue, none of the Shareholders have pre-emptive rights to subscribe for the Rights Shares.

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the sections “*Offering, Selling and Transfer Restrictions*” and “*Eligibility of Shareholders to Participate in the Rights Issue*” for further information.

4. **If securities or securities-based derivatives contracts of the same class as those securities or securities-based derivatives contracts being offered are listed for quotation on any approved exchange –**

(a) **in a case where the firstmentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the firstmentioned securities or securities-based derivatives contracts–**

(i) **for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and**

(ii) **for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or**

The highest and lowest market prices and the volume of the Shares traded on the SGX-ST during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 August 2021 to the Latest Practicable Date are as follows:

Month	Price Range		Volume of Shares traded ('000) ⁽⁴⁾
	High (S\$) ⁽²⁾	Low (S\$) ⁽³⁾	
August 2020	0.385	0.205	353,823
September 2020	0.200	0.142	2,384,217
October 2020	0.154	0.120	1,501,483
November 2020	0.169	0.113	3,346,991
December 2020	0.171	0.138	2,426,977
January 2021	0.169	0.145	2,579,728
February 2021	0.161	0.144	1,367,484
March 2021	0.171	0.153	1,951,965
April 2021	0.220	0.185	3,530,216
May 2021	0.205	0.179	1,982,044
June 2021	0.205	0.120	3,222,311
July 2021	0.125	0.103	2,279,232
1 August 2021 to the Latest Practicable Date	0.123	0.103	1,321,200

Notes:

(1) Source: Bloomberg Finance L.P. Bloomberg Finance L.P. has not consented for the purposes of Sections 249 and 277 of the SFA to the inclusion of the information referred to above and is thereby not liable for such information under Sections 253 and 254 of the SFA. While the Company and the Sole Financial Adviser, Manager and Underwriter have taken reasonable actions to ensure that the above information has been reproduced in its proper form and context, neither the Company nor the Sole Financial Adviser, Manager and Underwriter has conducted an independent review of this information nor verified the accuracy of such information.

(2) High Price was based on the highest closing price for the Shares in a particular month/period.

(3) Low Price was based on the lowest closing price for the Shares in a particular month/period.

(4) Volume was based on the total volume of the Shares traded in a particular month/period.

- (b) in a case where the first-mentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities or securities-based derivatives contracts –
- (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;

Not applicable, as the Shares have been listed for quotation on the Main Board of the SGX-ST for more than 12 months immediately preceding the Latest Practicable Date.

- (c) disclose any significant trading suspension that has occurred on the approved exchange during the 3 years immediately preceding the latest practicable date or, if the securities or securities-based derivatives contracts have been listed for quotation for less than 3 years, during the period from the date on which the securities or securities-based derivatives contracts were first listed to the latest practicable date; and

No significant trading suspension of the Shares has occurred on the SGX-ST during the three years immediately preceding the Latest Practicable Date.

- (d) disclose information on any lack of liquidity, if the securities or securities-based derivatives contracts are not regularly traded on the approved exchange.

Not applicable. Please refer to paragraph 4(a) of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*” for the volume of Shares traded during each of the last 12 calendar months immediately preceding the calendar month in which the Latest Practicable Date falls and for the period from 1 August 2021 to the Latest Practicable Date.

5. Where the securities or securities-based derivatives contracts being offered are not identical to the securities or securities-based derivatives contracts already issued by the relevant entity, provide –

- (a) a statement of the rights, preferences and restrictions attached to the securities or securities-based derivatives contracts being offered; and
- (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities or securities-based derivatives contracts, to rank in priority to or equally with the securities or securities-based derivatives contracts being offered.

The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing 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.

The issue of the Rights Shares is made pursuant to the authority granted under the Rights Issue Resolution approved by Shareholders at the EGM.

Plan of Distribution

6. **Indicate the amount, and outline briefly the plan of distribution, of the securities or securities-based derivatives contracts that are to be offered otherwise than through underwriters. If the securities or securities-based derivatives contracts are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.**

Basis of Provisional Allotment

The Rights Issue is made on a renounceable underwritten basis to Entitled Shareholders on the basis of three (3) Rights Shares for every two (2) existing Shares held by Entitled Shareholders as at the Record Date at the Issue Price, fractional entitlements to be disregarded. The Rights Shares are payable in full upon acceptance and/or application and will, upon allotment and issue, rank *pari passu* in all respects with the then existing 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.

Based on the Existing Share Capital of the Company as at the Latest Practicable Date of 12,555,639,661 Shares, 18,833,459,491 Rights Shares will be issued.

Entitled Shareholders

Entitled Shareholders are at liberty to accept, decline or renounce their Rights and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Depositors are also able to trade their Rights on the SGX-ST during the Rights trading period prescribed by the SGX-ST.

Fractional entitlements to the Rights Shares will be disregarded in arriving at the Shareholders' entitlements and will, together with such Rights Shares that are not validly taken up by Entitled Shareholders or their respective renounee(s) or Purchaser(s), any unsold Rights of Foreign Shareholders and any Rights Shares that are not otherwise allotted for whatever reason in accordance with the terms and conditions contained in this Offer Information Statement, the ARE, the PAL and (if applicable) the Constitution, be aggregated and used to satisfy Excess Rights Shares applications (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.

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots and 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. 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 last in priority for the rounding of odd lots and allotment of Excess Rights Shares. For the avoidance of doubt, only Entitled Shareholders (and not Purchasers or renounees) shall be entitled to apply for Excess Rights Shares in excess of their provisional allotments.

The Rights Shares are not offered through the selling efforts of any broker or dealer other than the Sole Financial Adviser, Manager and Underwriter. Please refer to paragraph 7 of this Part below for further information on the Management and Underwriting Agreement.

Foreign Shareholders

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the sections “*Offering, Selling and Transfer Restrictions*” and “*Eligibility of Shareholders to Participate in the Rights Issue*” for details on the eligibility of Shareholders to participate in the Rights Issue.

The Rights and the Rights Shares are being offered and sold only outside the United States in “offshore transactions” in reliance on Regulation S under the Securities Act.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities or securities-based derivatives contracts being underwritten by each underwriter.

As a result of the entry into the Undertaking Agreement and the Management and Underwriting Agreement, the Company will have certainty of raising the full S\$1.5 billion contemplated from the Rights Issue.

Undertaking Agreement

As at the Latest Practicable Date, Temasek has an interest in 5,354,955,377 Shares through:

- (i) its indirect wholly-owned subsidiary, Startree, which holds 5,353,126,468 Shares, representing approximately 42.6 per cent. of the Existing Share Capital, being the Relevant Shares; and
- (ii) DBS Group, as reported to Temasek by DBS Group, an independently-managed and operated portfolio company of Temasek, which holds 1,828,909 Shares, representing approximately 0.01 per cent. of the Existing Share Capital.

Startree has entered into an Undertaking Agreement with the Company on 24 June 2021 (the “**Undertaking Agreement**”), pursuant to which it has irrevocably undertaken to the Company to, *inter alia*:

- (a) subscribe and pay in full for, or procure the subscription and payment in full of, its *pro rata* entitlement under the Rights Issue in relation to the Relevant Shares (the “**Undertaken Pro Rata Rights Shares**”);
- (b) subscribe and pay in full for, or procure the subscription and payment in full of, up to 4,588,728,156 Excess Rights Shares which, when aggregated with the Undertaken *Pro Rata* Rights Shares, will not exceed 67.0 per cent. of the total Rights Shares (the “**Undertaken Excess Rights Shares**” and together with the Undertaken *Pro Rata* Rights Shares, the “**Undertaken Rights Shares**”); and
- (c) to the extent not prohibited under applicable laws and regulations (including the Listing Manual), to vote or procure the voting of all the Relevant Shares in favour of the Rights Issue Resolution.

Allocations of Excess Rights Shares to other Shareholders will rank in priority before allocations of the Undertaken Excess Rights Shares to Startree.

The Undertaking Agreement is subject to and conditional upon, *inter alia*:

- (i) the receipt of the in-principle approval from the SGX-ST for the listing of and quotation for, the Rights Shares on the SGX-ST and if such approval is granted subject to conditions, such conditions being acceptable to the Company and Startree, and such approval not having been withdrawn or revoked on or prior to the completion of the Rights Issue;

- (ii) in respect of the obligations described in paragraphs (a) and (b) above, the approval of the Shareholders being obtained at the EGM for the Rights Issue Resolution and the issue of the Rights Shares;
- (iii) the Management and Underwriting Agreement not having been terminated or rescinded pursuant to the terms thereof;
- (iv) in respect of the obligation described in paragraphs (a) and (b) above, the lodgment of this Offer Information Statement, together with all other accompanying documents (if applicable) in connection with the Rights Issue with the MAS; and
- (v) unless otherwise waived by Startree, all government and third party approvals or consents having been obtained by the Closing Date, either unconditionally or on conditions satisfactory to Startree and the Company both acting reasonably and any such consent not having been withdrawn or revoked.

No commission or fee will be paid to Temasek or Startree in connection with the provision or execution of the Undertaking Agreement.

Underwriting

Based on the Rights Issue size of 18,833,459,491 Rights Shares, the Sole Financial Adviser, Manager and Underwriter has agreed to underwrite the Underwritten Rights Shares, being up to 6,215,041,633 Rights Shares, representing up to 33.0 per cent. of the total number of Rights Shares (which excludes the Undertaken Rights Shares), at the Issue Price, on the terms and subject to the conditions of the Management and Underwriting Agreement.

The underwriting obligations of the Sole Financial Adviser, Manager and Underwriter are subject to, *inter alia*, Startree having subscribed and paid in full for (or procured the subscription and payment in full for) all the Undertaken Rights Shares that it has undertaken to subscribe or procure subscriptions for pursuant to the Undertaking Agreement.

Pursuant to the Management and Underwriting Agreement, the Company will pay the Sole Financial Adviser, Manager and Underwriter a total fee of S\$3.65 million (which is inclusive of an underwriting commission of S\$2.55 million).

PART 7 – ADDITIONAL INFORMATION

Statements by Experts

1. **Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement other than a statement attributed to an expert to which the exemption under regulation 33(2) applies.

2. **Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert –**

- (a) **state the date on which the statement was made;**
- (b) **state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
- (c) **include a statement that the expert has given, and has not withdrawn, his or her written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement other than a statement attributed to an expert to which the exemption under regulation 33(2) applies.

3. **The information mentioned in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 33(2) applies.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement other than a statement attributed to an expert to which the exemption under regulation 33(2) applies.

Consents from Issue Managers and Underwriters

4. **Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his or her written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**

DBS Bank Ltd., as the Sole Financial Adviser, Manager and Underwriter for the Rights Issue, has given, and has not, before the lodgment of this Offer Information Statement with the MAS, withdrawn its written consent to being named in this Offer Information Statement as the Sole Financial Adviser, Manager and Underwriter for the Rights Issue.

Other Matters

5. **Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly –**

- (a) **the relevant entity's business operations or financial position or results; or**
- (b) **investments by holders of securities or securities-based derivatives contracts in the relevant entity.**

Save as disclosed below and in this Offer Information Statement, the Directors are not aware of any other matter which could materially affect, directly or indirectly, the Company's business operations, financial position or results or investments by holders of securities or securities-based derivatives contracts in the Company.

These are unprecedented times for the Group in its close to 60-year track record.

The challenges faced by the Group are real and severe, and have lasted longer than anticipated due to the protracted effects from the COVID-19 pandemic.

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. Whether a further fund-raising exercise will be required post-2022 would depend on the circumstances at that time. The Group would need to consider various factors, including its funding requirements then, the pace of recovery in the O&M sector, the continued impact of COVID-19 and its own business transition to the high-growth renewable and clean energy segment.

The Company is of the view that it must transition more quickly to the fast-growing renewable and clean energy segment, including offshore renewables. The Rights Issue will allow the Company to accelerate its strategic expansion into the high-growth renewable and clean energy segment, better position the Company 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 will be vital in fortifying the Company's financial position, and enable the Company to emerge as a strong and innovative player, with an increasing strategic focus on clean, sustainable and renewable energy solutions.

Industry Context and Background

The global O&M industry has seen a prolonged and severe downturn since 2015 due to a collapse in oil prices and major structural changes in the energy industry. In the three years prior to the downturn, the Group earned healthy pre-tax profits of over S\$600 million per year, on the back of strong order books for drilling rigs and other major offshore projects. Since then, order books have decreased and the Group's financial performance has been affected, resulting in pre-tax losses of S\$101 million in FY2018, S\$177 million in FY2019 and S\$671 million in FY2020. This has impacted the Group's liquidity and working capital position.

In 2020, having positioned itself for recovery, the Group was unexpectedly and severely affected by the onset of the COVID-19 pandemic and the sudden drop in oil prices. This led to production shutdowns and delays in the execution of all its major projects, as well as a decline in new orders due to capital expenditure reduction by oil and gas companies and deferrals of investment decisions.

The Group recorded a net loss attributable to owners of the Company of S\$583 million in FY2020. This was mainly due to disruption from the COVID-19 pandemic causing: (i) delays in projects execution and securing of new projects, resulting in lower overall business volumes; (ii) incurrence of higher overall costs for all projects, especially for Rigs & Floaters and Specialised Shipbuilding projects; as well as (iii) S\$144 million of asset impairments and provisions. Please refer to paragraph 8(b) of the section "*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information*" for further details.

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 continues to grow this segment.

In June 2020, the Board of Directors, having considered various financing options, as well as the urgency of the situation and the critical need to maintain sufficient liquidity, recommended the 2020 Rights Issue to raise gross proceeds of approximately S\$2.1 billion. The completion of the 2020 Rights Issue in September 2020 strengthened the Group's financial position to allow it to pursue its strategic pivot toward renewable and clean energy projects, notably the landmark Sofia offshore wind substation contract. Proceeds from the 2020 Rights Issue reduced the Group's leverage and debt servicing obligations by converting the S\$1.5 billion subordinated loan owing to SCI into equity in the Company. The balance of approximately S\$0.6 billion was to fund the Group's ongoing operations. Of the S\$0.6 billion net cash proceeds, approximately S\$0.43 billion has been used for working capital purposes. This includes payment for materials and equipment of approximately S\$212 million, payment for subcontractors' labour services of approximately S\$182 million and payment for employees' payroll expenses of approximately S\$36 million. There is approximately S\$0.16 billion of the net proceeds remaining from the 2020 Rights Issue.

Over the course of 2021, with new waves of localised infections, major economies are still combating localised COVID-19 outbreaks and reopening of international borders has been delayed. Global growth is anticipated to remain subdued, with continued weakness in demand conditions for the O&M industry. The financial performance and health of some of the Group's customers have been severely impacted and this will continue to impact the Group's business. However, the growing pace of vaccinations should help accelerate recovery.

The COVID-19 pandemic has also disrupted supply chains. The re-introduction of COVID-19 measures in 2021, including tighter border controls, exacerbated the shortage of skilled manpower. This further impacted the Group's yard operations and scheduled completion of projects. As at the Latest Practicable Date, there has been no cancellation of any of the Group's existing projects, but the labour shortage has resulted in project delays, revenue deferrals and increased risk of terminations. To mitigate the risk of project cancellations, the Group has been coordinating with customers to reach mutually beneficial outcomes of project re-scheduling and deferment in payments.

Since the onset of the COVID-19 pandemic, a majority of the Group's projects have been delayed by at least 12 months. Deferral of cash collections from projects has impacted and will continue to impact the near-term liquidity position of the Group. Many customers of the Group's newbuild vessels and offshore structures have negotiated deferred deliveries in light of the COVID-19 impact. In June 2021, the Group entered into amendment agreements with Transocean to reschedule the delivery of two drillship construction contracts. The completion of the amendment agreements is a significant step forward and underlines the collaborative spirit of all parties to ensure that the projects continue amidst the challenging environment. However, it resulted in the deferral of cash collection of approximately S\$610 million during FY2021 and FY2022 to FY2023 and beyond. This impacted the Group's near-term working capital position and a tightening of funding support from the Group's lenders.

To minimise further delays to complete the projects, the Group has actively sourced for skilled workers from 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 alternative sources costs more than twice that from the sources the Group used to recruit from. The Group has made full provisions for these projected increases in labour costs, together with the associated re-scheduling of work, extra sub-contract work, additional material usage and other staff turnover related expenses in its 1H2021 financial results. It has progressively become evident that the impact of the COVID-19 pandemic and the industry downturn has been more protracted than originally anticipated and hence the S\$0.16 billion of net proceeds remaining from the 2020 Rights Issue is insufficient.

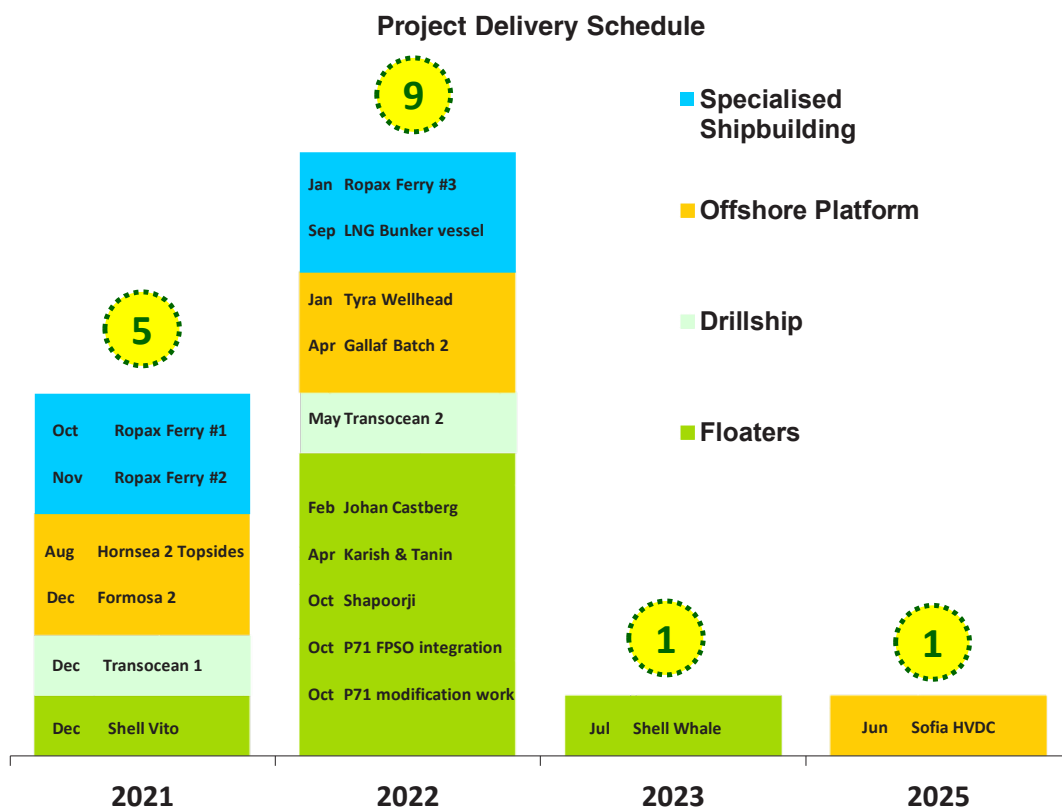
The Group recorded a substantial net loss attributable to owners of the Company of S\$647 million for 1H2021, a severe deterioration compared S\$192 million for 1H2020 and was larger than the FY2020 net loss attributable to owners of the Company of S\$583 million. The S\$647 million net loss attributable to owners of the Company took into account the following provisions totalling

S\$472 million (post-tax basis): (i) additional labour and other costs to be incurred over the next six to 18 months to complete existing projects of S\$361 million; (ii) an increase in provisions for yards' reinstatement of S\$65 million; and (iii) an increase in asset impairment loss of S\$46 million.

As at end-June 2021, the Group has a net order book of S\$1.78 billion. This comprises S\$1.56 billion of projects under execution (with a total original contract sum of S\$6.1 billion) and S\$0.22 billion of ongoing Repairs & Upgrades projects with firm deliveries in 2021. The S\$1.56 billion of projects under execution relate to cruise ship revitalisation (approximately one per cent.), specialised shipbuilding (approximately three per cent.), drillships (approximately 14 per cent.), offshore platforms (approximately 38 per cent.) and floaters (approximately 44 per cent.).

The Group has a total of 16 projects under execution, with five scheduled for completion in 2021 and another nine in FY2022. The remaining two will progressively be completed by 2025. Further details are set out below:

Projects Under Execution as at 30 June 2021
<p>Renewables Solutions</p> <ul style="list-style-type: none"> • Ørsted - Hornsea 2 Offshore Wind Farm: Offshore Substation and Reactive Compensation Station Topsides • Jan De Nul - Formosa 2 Offshore Wind Farm: Wind Turbine Jacket Foundations • RWE Renewables - Sofia Offshore Wind Farm: Offshore Converter Platform
<p>Process Solutions</p> <ul style="list-style-type: none"> • Equinor - Johan Castberg: Newbuild Floating Production, Storage and Offloading Vessel (FPSO) • Shell Vito: Newbuild Floating Production Unit (FPU) • Shell Whale: Newbuild FPU • NOC - Gallaf Batch 2: Wellhead Platforms • Tupi P-71: FPSO Modification, Integration and Topside Modules Fabrication • Shapoorji: FPSO Conversion
<p>Gas Solutions</p> <ul style="list-style-type: none"> • MOL - LNG Bunker Vessel • TotalEnergies - Tyra Redevelopment Project: Topsides and Bridges • Technip Energies – Karish: Newbuild FPSO • KARMOL - Karmol LNGT Powership Asia: Floating Storage & Regasification Unit (FSRU) Conversion and Upgrade • Gasfin/NYK - Torman II: Floating Storage Unit (FSU) Conversion and Upgrade
<p>Ocean Living Solutions</p> <ul style="list-style-type: none"> • Full Battery-operating Roll-on/Roll-off Passenger Ferries (Three units)
<p>Advanced Drilling Rig Solutions</p> <ul style="list-style-type: none"> • Transocean Deepwater Atlas Drillship • Transocean Deepwater Titan Drillship



Note:

- (1) The three units, Ropax Ferry #1, Ropax Ferry #2 and Ropax Ferry #3 (collectively, the “**Ropax Project**”), are part of the same project. For the purposes of the figure above, the Ropax Project is included in the five projects scheduled for delivery in FY2021, and is not included in the nine projects scheduled for delivery in FY2022.

The Group is actively tendering for more than 10 Green projects, including Renewable Energy and Gas Solutions.

The Group is also actively working on multiple projects with tenders in progress for the Process Solutions segment covering FPSOs, FSOs and FPUs.

In 2019, the Group entered into an exclusive Front-End Engineering and Design (FEED) contract with Siccar Point Energy E&P Ltd to deliver a FPSO design solution for the Cambo field in the UK Continental Shelf. The solution is based on its proprietary Sevan geostationary circular hull, a cost-effective alternative to traditional ship-shaped and turret-moored designs. The Group is continuing with pre-final investment decision work on the Cambo FPSO in anticipation of a final investment decision scheduled in 2H2021.

Within its existing markets, the Group continues to build on its integrated O&M engineering capabilities to move up the value chain and provide a wider suite of products and solutions for its existing business segments. This strategy is aimed at strengthening the Group’s competitiveness in winning more orders and improving its overall profitability over the longer-term.

With significant growth expected in renewables and other clean energy segments over the next decade and beyond, the Group will also focus on accelerating its transformation to gain further traction in this segment and strengthen its market share.

To support its expansion into new and existing markets, the Group will strategically augment its yard facilities and infrastructure to enhance its proposition as a one-stop production centre capable of fabricating, assembling and installing larger and heavier integrated structures.

The Group entered into a partnership agreement with SP Group to enhance the sustainability credentials of its flagship Tuas Boulevard Yard with a further deployment of 4.0 MWp of solar energy across seven rooftops at its yard.

At the same time, the Group has also built strategic alliances with government agencies, research institutions, classification societies and industry partners to boost innovation development. In April 2021, the Group signed a Memorandum of Understanding with Shell and Penguin International to jointly explore the viability of hydrogen as a marine fuel, potentially paving the way for emission-free shipping in the future, a first for Singapore. The Group aims to champion decarbonisation in the marine industry.

Reflecting the challenging operating environment, the Group will continue to take decisive action to reduce its monthly operational cash burn rate and to carefully manage its working capital. The Group has also deferred all non-essential capital expenditure and will incur only maintenance spending to ensure yard safety and operability. 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.

S\$1.5 Billion Recapitalisation: Strengthening Liquidity and Balance Sheet

Given the uncertain recovery trajectory and prolonged cash burn, 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. With regards to debt financing, although the Group’s net debt to equity ratio is approximately 0.92x as at 30 June 2021, 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 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.

In view of the above, the Board of Directors believes that an equity rights issue at this point is critically required to meet immediate funding needs, strengthen the Group’s balance sheet, replenish temporary working capital depletion amidst continuing COVID-19 disruptions, and enhance the Group’s liquidity position.

The S\$1.5 billion recapitalisation amount was determined based on the Group’s projected operational funding requirements until the end of 2022. These include:

- (i) Additional working capital requirements: Disruption in supply chain and acute shortages of skilled labour due to the COVID-19 pandemic have caused further delays in projects execution and completion. This has resulted in higher negative operating cash flows due to: (a) delays in revenue recognition and deferred payment terms given to customers which reduce cash inflows; and (b) additional manpower and other costs to complete existing projects which increase cash outflows.
- (ii) Additional debt service requirements: Due to the ongoing challenging business conditions, the Group faces increasing challenges to refinance its existing maturing debt. As a result, the Group expects an increasing need to repay more debt upon their maturity over the next 18 months.
- (iii) Other general corporate purposes: For example, costs incurred to maintain the Group’s yard facilities to ensure safe operations.

In addition to addressing the Group’s immediate funding needs, the Rights Issue will allow the Group to pursue its future strategic goals, in particular to accelerate the Group’s transition towards the high-growth renewable and clean energy segment. The Group is actively tendering for more than 10 “green” projects, including in Renewable Energy and Gas Solutions. The Group is also

actively working on multiple projects, and has tenders in progress for the Process Solutions segment covering floating production, storage and offloading vessels (FPSOs), floating storage and offloading vessels (FSOs) and floating production units (FPUs).

The Rights Issue will also significantly de-leverage the Group, and 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. Further information can be found in the section "*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 5 – Operating and Financial Review and Prospects Operating Results*".

Startree, an indirect wholly-owned subsidiary of Temasek, has given an irrevocable undertaking to subscribe for its 42.6 per cent. *pro rata* entitlement and apply for Excess Rights Shares, such that in aggregate it has undertaken to subscribe for up to 67.0 per cent. of the Rights Issue, and the remaining 33.0 per cent. is underwritten by the Sole Financial Adviser, Manager and Underwriter. As a result, the Group will have certainty of raising the full S\$1.5 billion contemplated from the Rights Issue.

Summary of Benefits to the Group.

In summary, the Group will benefit from the Rights Issue in the following ways:

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

PART 8 – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES

Not applicable.

PART 9 – ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

PART 10 – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BY WAY OF RIGHTS ISSUE

1. Provide –

(a) the particulars of the rights issue;

Please refer to the section “*Summary of the Rights Issue*” for particulars of the Rights Issue.

(b) the last day and time for splitting of the provisional allotment of the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

8 September 2021 at 5.00 p.m.

Please refer to the section “*Indicative Timetable of Key Events*” for more details.

(c) the last day and time for acceptance of and payment for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

14 September 2021 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks or through an Accepted Electronic Service).

Please refer to the section “*Indicative Timetable of Key Events*” for more details.

(d) the last day and time for renunciation of and payment by the renounee for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

14 September 2021 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks or through an Accepted Electronic Service).

Entitled Depositors who wish to renounce their Rights in favour of a third party should note that CDP requires three Market Days to effect such renunciation. As such, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for the renounee to accept his Rights.

(e) the terms and conditions of the offer of securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

The allotment and issue of the Rights Shares pursuant to the Rights Issue is governed by the terms and conditions as set out in this Offer Information Statement, in particular Appendices A, B and C to this Offer Information Statement and in the ARE, the ARS and the PAL.

- (f) the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and**

Please refer to paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*” for details of the terms of the Undertaking Agreement.

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

- (g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.**

Not applicable as the Rights Issue is underwritten.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

Review of Working Capital

1. Provide a review of the working capital for the last three financial years and the latest half year, if applicable.

The working capital of the Group as at 31 December 2018, 31 December 2019, 31 December 2020 and 30 June 2021 were as follows:

	← Audited →			Unaudited
	31 December 2018 S\$'000	31 December 2019 S\$'000	31 December 2020 S\$'000	30 June 2021 S\$'000
Total current assets	2,960,309	2,565,101	3,140,463	2,588,845
Total current liabilities	2,762,731	2,874,688	3,399,854	3,283,330
Net current assets/(liabilities)	197,578	(309,587)	(259,391)	(694,485)

A review of the working capital position of the Group as at 31 December 2018, 31 December 2019, 31 December 2020 and 30 June 2021 is set out below.

31 December 2019 compared to 31 December 2018

The Group's current assets decreased year-on-year by S\$0.39 billion from S\$2.96 billion as at 31 December 2018 to S\$2.57 billion as at 31 December 2019 mainly due to a decrease in contract costs, upon the delivery and sale of a rig under deferred payment terms and cash used for capital expenditures, offset by an increase in contract assets mainly due to revenue recognised during the period and timing of billings to customers. The Group's current liabilities increased year-on-year by S\$0.11 billion from S\$2.76 billion as at 31 December 2018 to S\$2.87 billion as at 31 December 2019 mainly due to reclassification of non-current borrowings maturing in FY2020 to current liabilities, offset by lower trade and other payables on payments made.

As at 31 December 2019, the Group had net current liabilities totalling S\$310 million, arising mainly from loans maturing in FY2020. The Group has adequate existing loan facilities to refinance current borrowings as they fall due.

31 December 2020 compared to 31 December 2019

The Group's current assets increased year-on-year by S\$0.58 billion from S\$2.57 billion as at 31 December 2019 to S\$3.14 billion as at 31 December 2020 mainly due to billings to customers upon project milestones achieved, net proceeds from borrowings, proceeds from the 2020 Rights Issue and receipts from customers, offset by capital expenditures and working capital for ongoing projects.

The Group's current liabilities increased year-on-year by S\$0.53 billion from S\$2.87 billion as at 31 December 2019 to S\$3.40 billion as at 31 December 2020 mainly due to drawdown of new and existing facilities to strengthen liquidity position during this COVID-19 period, offset by loan repayments and lower trade and other payables on payments made.

As at 31 December 2020, the Group had net current liabilities totalling S\$259 million arising mainly from term loans maturing in the next twelve months. The Group has adequate loan facilities to repay or refinance current borrowings as they fall due.

30 June 2021 compared to 31 December 2020

The Group's current assets decreased by S\$0.55 billion from S\$3.14 billion as at 31 December 2020 to S\$2.59 billion as at 30 June 2021 mainly due to decrease in account receivables as a result of receipts from customers for completed projects and reclassification of contracts assets to non-current assets arising from deferred delivery payment terms agreed with a customer.

The Group's current liabilities decreased by S\$0.12 billion from S\$3.40 billion as at 31 December 2020 to S\$3.28 billion as at 30 June 2021 mainly due to refinancing of current borrowings that fell due into longer term maturities.

As at 30 June 2021, the Group had net current liabilities totalling S\$694 million arising mainly from loans maturing in the next twelve months. The Group is in talks with lenders to refinance and re-profile current loans with longer term maturities. For certain loans due, proceeds from the Rights Issue may be utilised to repay such loans.

Convertible Securities

2(a). Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832.

Not applicable. The Rights Issue does not involve the issue of convertible securities, such as company warrants or convertible debt.

2(b). Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price-fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.

Not applicable. The Rights Issue does not involve the issue of convertible securities, such as company warrants or convertible debt.

Responsibility Statement by the Financial Adviser

3. A responsibility statement by the financial adviser in the form set out in paragraph 3.1 of Practice Note 12.1.

As provided in Appendix 8.2 of the Listing Manual, this requirement is not applicable if an issuer has to comply with the offer information statement requirements in the SFA.

PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

1. INTRODUCTION

- 1.1 Entitled Depositors are entitled to access and download this Offer Information Statement electronically and receive the OIS Notification Letter and the ARE which forms part of this Offer Information Statement. This Offer Information Statement (including the ARE) will not be despatched or disseminated to Ineligible Shareholders. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank or through an Accepted Electronic Service shall, where the Entitled Depositor is a Depository Agent be taken to include an application made via the SGX-SFG Service.
- 1.2 The provisional allotments of Rights Shares are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions in the ARE.

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded).

The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares and the application and payment for Excess Rights Shares are set out in this Offer Information Statement as well as the ARE.

- 1.3 If an Entitled Depositor wishes to accept his provisional allotments of Rights Shares specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Shares, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the "Free Balance" of your Securities Account is not credited with, or is credited with less than, the relevant number of Rights Shares accepted as at the last time and date for acceptance, (if applicable) application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE or this Offer Information Statement, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank or through an Accepted Electronic Service) or **BY CREDITING HIS/THEIR DESIGNATED BANK ACCOUNT(S) VIA CDP'S DIRECT CREDITING SERVICES**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP). In the event that an Entitled Depositor (who accepts and (if applicable) applies through CDP) is not subscribed to CDP's Direct Crediting Service, any monies to be returned will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (the retention by CDP being a good discharge of the Company's and the Sole Financial Adviser, Manager and Underwriter's obligations).

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENTS OF RIGHTS SHARES SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK OR THROUGH AN ACCEPTED ELECTRONIC SERVICE. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION VIA THE SGX-SFG SERVICE.

Where an acceptance of the provisional allotments of Rights Shares, (if applicable) application for Excess Rights Shares and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, accept, reject, treat as valid and/or treat as invalid any such acceptance, (if applicable) application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

- 1.4 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE and/or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- 1.5 Details on the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares are set out in paragraphs 2 to 4 below.
- 1.6 By subscribing in the Rights Issue, an Entitled Depositor, a renounee or a Purchaser will be deemed to warrant, represent, agree and acknowledge that (i) he, and any account on whose behalf he is subscribing, are, (a) outside the United States (within the meaning of Regulation S under the Securities Act) and (b) acquiring the Rights, the Rights Shares and/or the Excess Rights Shares in an offshore transaction (within the meaning of Regulation S under the Securities Act) meeting the requirements of Regulation S; (ii) the Rights, the Rights Shares, and/or the Excess Rights Shares have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States in reliance on Regulation S; and (iii) the Company, the Company's advisers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

2. MODE OF ACCEPTANCE AND APPLICATION

2.1 Acceptance/Application by way of an Electronic Application through an ATM of a Participating Bank or through an Accepted Electronic Service

Instructions for Electronic Applications through ATMs of the Participating Banks to accept the Rights Shares provisionally allotted or (if applicable) to apply for Excess Rights Shares will appear on the ATM screens of the respective Participating Banks. Please refer to Appendix B of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

Instructions for Electronic Applications through an Accepted Electronic Service are set out in the ARE.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK OR THROUGH AN ACCEPTED ELECTRONIC SERVICE, HE WOULD HAVE IRREVOCABLY AUTHORISED THE RELEVANT PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH

PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE RIGHTS SHARES PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS SHARES BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK OR THROUGH AN ACCEPTED ELECTRONIC SERVICE, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR/ITS ABSOLUTE DISCRETION, DEEM FIT.

2.2 Acceptance/Application through CDP

If the Entitled Depositor wishes to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares through CDP, he must:

- (i) complete and sign the ARE. In particular, he must state in Part (C)(i) of the ARE the total number of Rights Shares provisionally allotted to him which he wishes to accept and (if applicable) the number of Excess Rights Shares applied for, and in Part (C)(ii) of the ARE the 6 digits of the Cashier's Order or Banker's Draft; and
- (ii) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for, by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **SEMBCORP MARINE LTD, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**, so as to arrive no later than **5.00 P.M. ON 14 SEPTEMBER 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – SCM RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS WILL BE ACCEPTED. NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

2.3 Acceptance/Application through the SGX-SFG Service (for Depository Agents only)

Depository Agents may accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares through the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Company to receive acceptances and (if applicable) applications on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and this Offer Information Statement as if the ARE had been completed, signed and submitted to CDP.

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotments of Rights Shares accepted by the Entitled Depositor and (if applicable) the Excess Rights Shares applied for by the Entitled Depositor, the attention of the Entitled Depositor is drawn to paragraphs 1.3 above and 5.2 below which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares in relation to the Rights Issue.

2.5 Acceptance of Part of Provisional Allotments of Rights Shares and Trading of Provisional Allotments of Rights Shares

An Entitled Depositor may choose to accept his provisional allotments of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotments of Rights Shares and trade the balance of his provisional allotments of Rights Shares on the SGX-ST, he should:

- (i) complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or
- (ii) accept and subscribe for that part of his provisional allotments of Rights Shares by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his provisional allotments of Rights Shares may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotments trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotments trading period.

2.6 Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the Purchasers as arrangements will be made by CDP for a separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the OIS Notification Letter with the ARS, accompanied by other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares may be rejected. Purchasers who do not receive the OIS Notification Letter or the ARS, accompanied by other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Purchasers should also note that if they make any purchase on or around the last trading day of the provisional allotments of Rights Shares, the OIS Notification Letter, the ARS and its accompanying documents might not be despatched in time for the subscription of the Rights Shares. Purchasers may obtain a copy of the OIS Notification Letter, the ARS and its accompanying documents from CDP. Alternatively, Purchasers may accept and subscribe for their provisional allotments of Rights Shares by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement, the OIS Notification Letter and its accompanying documents will not be despatched or disseminated to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Foreign Purchasers are advised that their participation in the Rights Issue may be restricted or prohibited by the laws of the jurisdiction in which they are located or resident.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS

WISH TO ACCEPT THE RIGHTS SHARES REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ON THEIR BEHALF.

2.7 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with the “*Terms and Conditions for Operations of Securities Accounts with CDP*”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce their provisional allotments of Rights Shares are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.00 p.m. on 14 September 2021** (or **9.30 p.m. on 14 September 2021** if acceptance is made by way of an Electronic Application through ATMs of the Participating Banks or through an Accepted Electronic Service) (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or (as the case may be) the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or (if applicable) application for Excess Rights Shares (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY TWO (2) EXISTING SHARES AT AN ISSUE PRICE OF S\$0.08)

As an illustration, if an Entitled Depositor has 20,000 Shares standing to the credit of his Securities Account as at the Record Date, the Entitled Depositor will be provisionally allotted 30,000 Rights Shares as set out in his ARE. The Entitled Depositor’s alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives	Procedures to be taken
(i) Accept his entire provisional allotments of 30,000 Rights Shares and (if applicable) apply for Excess Rights Shares.	<p>By way of an Electronic Application through an ATM of a Participating Bank or through an Accepted Electronic Service</p> <p>(1) Accept his entire provisional allotments of 30,000 Rights Shares and (if applicable) apply for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank or through an Accepted Electronic Service as described herein no later than 9.30 p.m. on 14 September 2021 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or</p>

Through CDP

- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance in full of his provisional allotments of 30,000 Rights Shares and (if applicable) the number of Excess Rights Shares applied for and forward the original signed ARE together with a single remittance for S\$2,400.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and Excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore, and made payable to "**CDP – SCM RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by post, at his own risk, in the self-addressed envelope provided to **SEMBCORP MARINE LTD, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive no later than **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

- (ii) Accept a portion of his provisional allotments of Rights Shares, for example 10,000 provisionally allotted Rights Shares, not apply for Excess Rights Shares and trade the balance on the SGX-ST.

By way of an Electronic Application through an ATM of a Participating Bank or through an Accepted Electronic Service

- (1) Accept his provisional allotments of 10,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank or through an Accepted Electronic Service as described herein no later than **9.30 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

Through CDP

- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotments of 10,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S\$800.00, in the prescribed manner described in alternative (i)(2) above, to CDP, so as to arrive no later than **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Alternatives

Procedures to be taken

The balance of the provisional allotments of 20,000 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotments trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.

- (iii) Accept a portion of his provisional allotments of Rights Shares, for example 10,000 provisionally allotted Rights Shares, and reject the balance.

By way of an Electronic Application through an ATM of a Participating Bank or through an Accepted Electronic Service

- (1) Accept his provisional allotments of 10,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank or through an Accepted Electronic Service as described herein no later than **9.30 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

Through CDP

- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotments of 10,000 Rights Shares and forward the original signed ARE, together with a single remittance for S\$800.00, in the prescribed manner described in alternative (i)(2) above, to CDP, so as to arrive no later than **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotments of 20,000 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank or through an Accepted Electronic Service by **9.30 p.m. on 14 September 2021** or if an acceptance is not made through CDP by **5.00 p.m. on 14 September 2021**.

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1 Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IN RELATION TO THE RIGHTS ISSUE IS:

- (I) 9.30 P.M. ON 14 SEPTEMBER 2021 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK OR THROUGH AN ACCEPTED ELECTRONIC SERVICE; AND**
- (II) 5.00 P.M. ON 14 SEPTEMBER 2021 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH CDP OR THE SGX-SFG SERVICE.**

If acceptance, (if applicable) application and payment for the Rights Shares in the prescribed manner as set out in the ARE, the ARS or the PAL (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank or through an Accepted Electronic Service by **9.30 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All moneys received in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP.

IF AN ENTITLED DEPOSITOR OR A PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

5.2 Appropriation

Without prejudice to paragraph 1.3 above, an Entitled Depositor should note that:

- (i) by accepting his provisional allotments of Rights Shares and/or (if applicable) applying for Excess Rights Shares, he acknowledges that, in the case where the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for Excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount actually received by CDP, the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Shares. The determination and appropriation by the Company and CDP shall be conclusive and binding;

- (ii) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the provisional allotments of Rights Shares and (if applicable) his application for Excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP; and
- (iii) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Excess Rights Shares (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3 Availability of Excess Rights Shares

The Excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares together with the aggregated fractional entitlements to the Rights Shares, any unsold "nil-paid" provisional allotments of Rights Shares (if any) of Ineligible Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots. 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 last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to refuse any application for Excess Rights Shares, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Shares allotted to an Entitled Depositor is less than the number of Excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of Excess Rights Shares actually allotted to him. For the avoidance of doubt, only Entitled Shareholders (and not Purchasers or renounees) shall be entitled to apply for Excess Rights Shares in excess of their provisional allotments.

If no Excess Rights Shares are allotted or if the number of Excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application moneys, as the case may be, will be refunded to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Company and CDP of their obligations, if any, thereunder, or by crediting their designated bank accounts via CDP's Direct Crediting Service **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares through CDP or through an Accepted Electronic Service). In the event that an Entitled Depositor (who had applied for Excess Rights Shares through CDP or through an Accepted Electronic Service) is not subscribed to CDP's Direct Crediting Service, any

monies to be refunded will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (the retention by CDP being a good discharge of the Company's and the Sole Financial Adviser, Manager and Underwriter's obligations).

5.4 Deadlines

It should be particularly noted that unless:

- (i) acceptance of the provisional allotments of Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank or through an Accepted Electronic Service and payment of the full amount payable for such Rights Shares is effected by **9.30 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (ii) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – SCM RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft is submitted by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **SEMBCORP MARINE LTD, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (iii) acceptance is made by a Depository Agent via the SGX-SFG Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent(s) for the provisional allotments of Rights Shares is effected by **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotments of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All moneys received in connection therewith will be returned to the Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **ENTITLED DEPOSITOR'S OR PURCHASERS' OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

5.5 Certificates

The certificates for the Rights Shares and Excess Rights Shares will be registered in the name of CDP or its nominee. Upon the crediting of the Rights Shares and Excess Rights Shares, CDP will send to Entitled Depositors and/or Purchasers, **BY ORDINARY POST AND AT THEIR OWN RISK**, notification letters showing the number of Rights Shares and Excess Rights Shares credited to their Securities Accounts.

5.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares provisionally allotted and credited to an Entitled Depositor's Securities Account. An Entitled Depositor can verify the number of Rights Shares provisionally allotted and credited to his Securities Account online if he has registered for CDP Internet Access Service. Alternatively, an Entitled Depositor may proceed personally to CDP with his identity card or passport to verify the number of Rights Shares provisionally allotted and credited to his Securities Account.

It is the responsibility of an Entitled Depositor and/or Purchaser to ensure that the ARE and/or the ARS is accurately completed in all respects and signed in its originality. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or the ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or the ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS SHARES IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post or deposited into boxes located at CDP's premises.

All communications, notices, documents and remittances to be delivered or sent to an Entitled Depositor and/or Purchaser will be sent by **ORDINARY POST** to his mailing address as maintained in the records of CDP, and **AT HIS OWN RISK**.

5.7 Personal Data Privacy

By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, an Entitled Depositor, a renounee or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

PROCEDURES TO COMPLETE THE ARE / ARS

1. Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Shares currently held
by you

XX,XXX

This is your
shareholdings as at
the Record Date.

Shares as at
5.00 p.m. on 26 August 2021
(Record Date)

This is the date
to determine your
Rights Shares
entitlements.

Number of Rights Shares
provisionally allotted*

XX,XXX

This is your number
of Rights Shares
entitlement.

Issue Price

S\$0.08 per Rights Share

This is the price that
you need to pay
when you subscribe
for one (1) Rights
Share.

2. Select your application options

B. SELECT YOUR APPLICATION OPTIONS

1. ATM Follow the procedures set out on the ATM screen of a Participating Bank. Submit your application by **9.30 p.m. on 14 September 2021**. Participating Banks are DBS Bank Ltd. (including POSB), Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited.

You can apply for your Rights Shares through ATMs of the Participating Banks.

2. PayNow Scan the above QR code using your banking app or pay to UEN 198003912MCAS. Enter in the PayNow reference: XXXX<last 8 digits of your securities account number> e.g. XXXX12345678. Payment amount must correspond to the number of rights shares subscribed, including excess. Make payment by **9.30 p.m. on 14 September 2021**. You do not need to return this form.

This is the last time and date to subscribe for the Rights Shares through PayNow, the ATMs and/or CDP.

3. MAIL

- (i) Complete section C below and submit this form to CDP by **5.00 p.m. on 14 September 2021**, together with **BANKER'S DRAFT/CASHIER'S ORDER** payable to "**CDP – SCM RIGHTS ISSUE ACCOUNT**".
- (ii) Write your name and securities account number on the back of the **BANKER'S DRAFT/CASHIER'S ORDER**.
- (iii) Applications using a **PERSONAL CHEQUE, POSTAL ORDER or MONEY ORDER** will be rejected.

This is the payee name to be issued on your Cashier's Order where SCM is the name of the issuer.

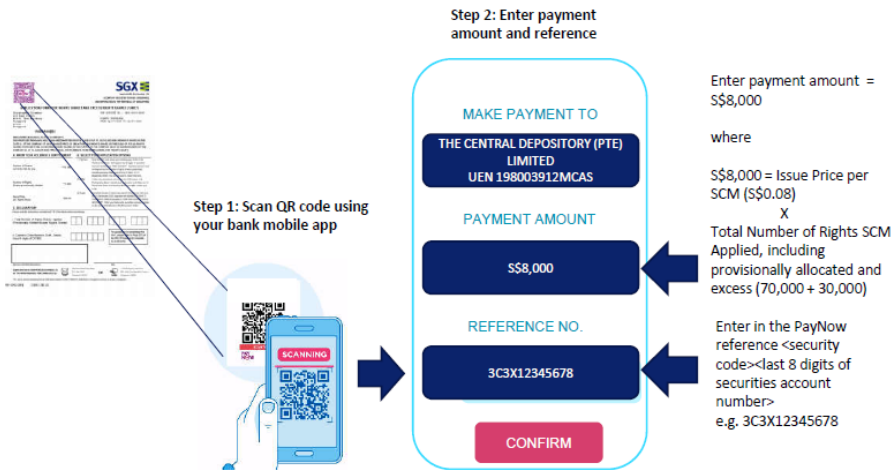
Note:

Please refer to the ARE / ARS for the actual holdings, entitlements, Record Date, Issue Price, Closing Date, PayNow reference, list of the Participating Banks and payee name on the Cashier's Order or Banker's Draft.

3. Application via PayNow

Before you proceed to subscribe for rights via PayNow, please make sure you have set up/have the following:

1. Daily limit to meet your transfer request
2. Notification to alert you on the transfer and refund status
3. Security code, pre-printed on the form under Section B PayNow
4. Last 8 digits of securities account number, pre-printed on the form
5. Payment amount = Issue Price per Rights SCM X Total Number of Rights SCM Applied (including provisionally allocated and excess), rounded down to the nearest cent



Note:

1. Please make sure the security code and your last 8 digits of securities account number are entered correctly – there should only be a total of 12 characters in your reference. CDP will reject the application if it is not a valid security code and/or securities account and arrange for refund to your originating bank account. To be notified on the refund, please turn on the setting in your bank account notifications.
2. You can send up to S\$200,000 per transaction via PayNow capped at your daily fund transfer limit set with your bank, whichever is lower. You can submit multiple PayNow transactions on the same day and across different days if you require to make a payment more than your limit.
3. CDP aggregates payments received on the same day as one instruction.
4. CDP will determine the number of rights applied using total payment received on each day, ignoring resultant fractional cent payable if any.
5. Post allocation, CDP will refund any excess amount to your DCS bank account.

4. Application via Form

Declaration

C. DECLARATION

Please read the instructions overleaf and fill in the blanks below accordingly.

i. **Total Number of Rights Shares Applied:**
(Provisionally Allotted + Excess Rights Shares)

--	--	--	--	--	--	--	--	--	--	--	--

Fill in the total number of the Rights Shares and Excess Rights Shares (for ARE) / total number of the Rights Shares (for ARS) that you wish to subscribe for within the boxes.

ii. **Cashier's Order/ Banker's Draft Details**:**
(Input 6 digits of CO/BD)

--	--	--	--	--	--

Fill in the 6 digits of the CO / BD number (eg. 001764) within the boxes.

--

Sign within the box.

Signature of Entitled Depositor(s)

--

Date

Notes:

- (i) If the total number of Rights Shares applied for exceeds the provisional allotted holdings of Rights Shares in your Securities Account as at the Closing Date, the remaining application will be put under application for Excess Rights Shares and will be subject to the excess allocation basis.
- (ii) The total number of Rights Shares applied for will be based on the cash amount stated in your Cashier's Order or Banker's Draft. The total number of Rights Shares will be appropriated accordingly if the applied quantity exceeds this amount.
- (iii) Please note to submit one (1) Cashier's Order or Banker's Draft per application form.

ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

The procedures for Electronic Applications through ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Please read carefully the terms and conditions of this Offer Information Statement, the procedures for Electronic Applications on the ATM screens of the relevant Participating Banks and the terms and conditions for Electronic Applications through an ATM of a Participating Bank set out below before making an Electronic Application through an ATM of a Participating Bank. An ATM card issued by one Participating Bank cannot be used to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares at an ATM belonging to other Participating Banks. Any Electronic Application through an ATM of a Participating Bank which does not strictly conform to the instructions set out on the screens of the ATM of a Participating Bank through which the Electronic Application is made will be rejected.

All references to “Rights Issue” and “Rights Application” on the ATM screens of the Participating Banks shall mean the offer of Rights Shares under the Rights Issue and the acceptance of provisional allotments of Rights Shares and (if applicable) the application for Excess Rights Shares, respectively. All references to “Document” on the ATM screens of the Participating Banks shall mean this Offer Information Statement.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications through an ATM of a Participating Bank and the procedures for Electronic Applications on the ATM screens of the relevant Participating Banks shall mean the Entitled Depositor or his renounee or the Purchaser of the provisional allotments of Rights Shares who accepts the provisional allotments of Rights Shares or (as the case may be) who applies for the Excess Rights Shares through an ATM of a Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, one of the Participating Banks before he can make an Electronic Application through an ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction through an ATM of a Participating Bank, the Applicant will receive an ATM transaction slip, confirming the details of his Electronic Application. The ATM transaction slip is for retention by the Applicant and should not be submitted with any ARE and/or ARS.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him by that Participating Bank in his own name. Using his own Securities Account number with an ATM card which is not issued to him by that Participating Bank in his own name will render his acceptance or (as the case may be) excess application liable to be rejected.

For CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents, acceptances of the provisional allotments of Rights Shares and (if applicable) applications for Excess Rights Shares must be done through their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, respectively. ANY ACCEPTANCE AND/OR (IF APPLICABLE) APPLICATION MADE DIRECTLY BY THE ABOVE-MENTIONED PERSONS THROUGH CDP, ELECTRONIC APPLICATIONS THROUGH ATMS OF THE PARTICIPATING BANKS OR THROUGH AN ACCEPTED ELECTRONIC SERVICE, THE SHARE REGISTRAR AND/OR THE COMPANY WILL BE REJECTED. The above-mentioned persons, where applicable, will receive notification letter(s) from their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the provisional allotments of Rights Shares and (if applicable) applications for Excess Rights Shares to their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be. CPFIS Members, SRS Investors and

investors who hold Shares through finance companies or Depository Agents should refer to the section “*Important Notice to (A) CPFIS Members, (B) SRS Investors and (C) Investors who hold Shares through a Finance Company and/or Depository Agent*” for important details relating to the offer procedure for them.

For renounees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares represented by the provisional allotments of Rights Shares must be done through their respective finance companies or Depository Agents, as the case may be. **ANY ACCEPTANCE MADE DIRECTLY BY SUCH RENOUNCEES AND PURCHASERS THROUGH CDP, ELECTRONIC APPLICATIONS THROUGH ATMS OF THE PARTICIPATING BANKS OR THROUGH AN ACCEPTED ELECTRONIC SERVICE, THE SHARE REGISTRAR AND/OR THE COMPANY WILL BE REJECTED.** Such renounees and Purchasers will receive notification letter(s) from their respective finance companies or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the provisional allotments of Rights Shares to their respective finance companies or Depository Agents, as the case may be.

The Electronic Application through an ATM of a Participating Bank shall be made on, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

1. In connection with his Electronic Application through an ATM of a Participating Bank for the Rights Shares, the Applicant is required to confirm statements to the following effect in the course of activating the ATM of a Participating Bank for his Electronic Application:
 - (i) that he has access to the electronic version of this Offer Information Statement and/or possession of the OIS Notification Letter and/or its accompanying documents and has read, understood and agreed to all the terms and conditions of acceptance of and (as the case may be) application for the Rights Shares under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and
 - (ii) that he authorises CDP to give, provide, divulge, disclose or reveal information pertaining to his Securities Account maintained in CDP’s record, including, without limitation, his name(s), his NRIC number(s) or passport number(s), Securities Account number(s), address(es), nationality, the number of Shares standing to the credit of his Securities Account, the number of provisional allotments of Rights Shares allotted to him, his acceptance and (if applicable) application for Excess Rights Shares and any other information (the “**Relevant Particulars**”) to the Company and any other relevant parties (the “**Relevant Parties**”) as CDP may deem fit for the purpose of the Rights Issue and his acceptance and (if applicable) application.

His acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares will not be successfully completed and cannot be recorded as a completed transaction in the ATM of a Participating Bank unless he presses the “Enter” or “OK” or “Confirm” or “Yes” key, as the case may be. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(ii) above, his confirmation, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, as the case may be, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by the Participating Bank of the Relevant Particulars to the Relevant Parties.

2. An Applicant may make an Electronic Application through an ATM of any Participating Bank for the Rights Shares using cash only by authorising such Participating Bank to deduct the full amount payable from his bank account with such Participating Bank.
3. The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Rights Shares provisionally allotted and Excess Rights Shares applied for as stated on the ATM transaction slip confirming the details of his Electronic Application, or the number of Rights Shares standing to the credit of the “Free Balance” of his Securities Account

as at the Closing Date (whichever is the lesser number). In the event that the Company decides to allot any lesser number of Excess Rights Shares or not to allot any number of Excess Rights Shares to the Applicant, the Applicant agrees to accept the Company's decision as final and binding.

4. If the Applicant's Electronic Application through an ATM of a Participating Bank is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be, on the ATM screen of a Participating Bank) of the number of Rights Shares accepted and/or Excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of Rights Shares accepted and/or Excess Rights Shares applied for that may be allotted to him.
5. In the event that the Applicant accepts the provisional allotments of Rights Shares both by way of the ARE and/or the ARS (as the case may be) and also by way of acceptance through an Electronic Application, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of Rights Shares which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of provisionally allotted Rights Shares which are standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date and the aggregate number of Rights Shares which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by way of acceptance through an Electronic Application. The Company and/or CDP, in determining the number of Rights Shares which the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the provisional allotments of Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE and/or the ARS, or by way of acceptance through an Electronic Application, which he has authorised or deemed to have authorised to be applied towards the payment in respect of his acceptance.
6. If applicable, in the event that the Applicant applies for Excess Rights Shares both by way of the ARE and also by way of application through an Electronic Application, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of Excess Rights Shares which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of Excess Rights Shares not exceeding the aggregate number of Excess Rights Shares for which he has applied by way of the ARE and by way of application through an Electronic Application. The Company and/or CDP, in determining the number of Excess Rights Shares which the Applicant has given valid instructions for the application of, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application for the Excess Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE, or by way of application through Electronic Application, which he has authorised or deemed to have authorised to be applied towards the payment in respect of his application.
7. The Applicant irrevocably requests and authorises the Company to:
 - (i) register or to procure the registration of the Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;
 - (ii) return or refund (without interest or any share of revenue or other benefit arising therefrom) the full amount of the acceptance/application monies, should his Electronic Application through an ATM of a Participating Bank in respect of the provisional allotments of Rights Shares not be accepted and/or Excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with the relevant Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares; and

- (iii) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application through an ATM of a Participating Bank for Excess Rights Shares be accepted in part only, by automatically crediting the Applicant's bank account with the relevant Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares.
8. **BY MAKING AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS A NOMINEE OF ANY OTHER PERSON.**
9. By making an Electronic Application through an ATM of a Participating Bank and subscribing in the Rights Issue, the Applicant will be deemed to warrant, represent, agree and acknowledge that (i) he, and any account on whose behalf he is subscribing, are, (a) outside the United States (within the meaning of Regulation S under the Securities Act) and (b) acquiring the provisional allotments of Rights Shares, the Rights Shares and/or the Excess Rights Shares in an offshore transaction in accordance with Regulation S; (ii) the provisional allotments of Rights Shares, the Rights Shares, and/or the Excess Rights Shares have not been and will not be registered under the Securities Act and accordingly, are being offered and sold only outside the United States in an offshore transaction in accordance with and in reliance on Regulation S; and (iii) the Company, the Company's advisers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.
10. The Applicant irrevocably agrees and acknowledges that his Electronic Application through an ATM of a Participating Bank is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Company, the Share Registrar and/or the Sole Financial Adviser, Manager and Underwriter) and any events whatsoever beyond the control of CDP, the Participating Banks, the Company, the Share Registrar and/or the Sole Financial Adviser, Manager and Underwriter, and if, in any such event, CDP, the Participating Banks, the Company, the Share Registrar and/or the Sole Financial Adviser, Manager and Underwriter do not record or receive the Applicant's Electronic Application through an ATM of a Participating Bank by **9.30 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application through an ATM of a Participating Bank and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Company, the Directors, the Share Registrar and/or the Sole Financial Adviser, Manager and Underwriter and their respective officers for any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damage in connection therewith or in relation thereto.
11. **Electronic Applications may only be made through ATMs of the Participating Banks from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m., excluding public holidays.**
12. Electronic Applications through ATMs of the Participating Banks shall close at **9.30 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
13. All particulars of the Applicant in the records of the relevant Participating Bank at the time he makes his Electronic Application through an ATM of the relevant Participating Bank shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application through an ATM of the relevant Participating Bank, the Applicant shall promptly notify the relevant Participating Bank.

14. The Applicant must have sufficient funds in his bank account(s) with the relevant Participating Bank at the time he makes his Electronic Application through an ATM of the relevant Participating Bank, failing which his Electronic Application will not be completed. Any Electronic Application made through ATMs of the Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
15. Where an Electronic Application through an ATM of a Participating Bank is not accepted, it is expected that the full amount of the acceptance/application monies will be returned or refunded in Singapore currency (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's bank account with the relevant Participating Bank within three (3) business days after the commencement of trading of the Rights Shares. An Electronic Application through an ATM of a Participating Bank may also be accepted in part, in which case the balance amount of acceptance/application monies will be refunded on the same terms.
16. In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), and by making and completing an Electronic Application through an ATM of a Participating Bank, the Applicant agrees that:
 - (i) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document is lodged with the MAS);
 - (ii) he warrants, represents, agrees and acknowledges that (a) he, and any account on whose behalf he is subscribing, are, (A) outside the United States (within the meaning of Regulation S under the Securities Act) and (B) acquiring the Rights, the Rights Shares and/or the Excess Rights Shares in an offshore transaction in accordance with Regulation S; (b) the Rights, the Rights Shares, and/or the Excess Rights Shares have not been and will not be registered under the Securities Act and accordingly, are being offered and sold only outside the United States in an offshore transaction in accordance with and in reliance on Regulation S; and (c) the Company, the Company's advisers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements;
 - (iii) he represents, warrants and undertakes that he can subscribe for the Rights Shares in accordance with all applicable laws and regulations;
 - (iv) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (v) none of the Company, CDP, the Participating Banks, the Share Registrar nor the Sole Financial Adviser, Manager and Underwriter shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 10 above or to any cause beyond their respective control;
 - (vi) any interest, share of revenue or other benefit accruing on or arising from in connection with any acceptance and (if applicable) application monies shall be for the benefit of the Company and none of the Company, CDP, the Sole Financial Adviser, Manager and Underwriter or any other persons involved in the Rights Issue shall be under any obligation to account for such interest, share of revenue or other benefit to him or any other person;
 - (vii) in accepting his provisional allotments of Rights Shares, reliance has been placed solely on the information contained in this Offer Information Statement and that none of the Company, CDP, the Sole Financial Adviser, Manager and Underwriter or any other person involved in the Rights Issue shall have any liability in respect of any information not so contained, except for any liability which cannot by law be excluded;

- (viii) he has not relied on any information, representation or warranty supplied or made by or on behalf of the Relevant Persons;
 - (ix) he has access to all information he believes is necessary or appropriate in connection with this subscription of Rights Shares;
 - (x) he has not relied on any investigation that any of the Relevant Persons may have conducted with respect to the Rights Shares or the Company, and none of such persons has made any representation to him, express or implied, with respect to the Rights Shares or the Company;
 - (xi) except for any liability which cannot by law be excluded, he will not hold any of the Relevant Persons responsible for any misstatements or omissions from any publicly available information concerning the Company and none of the Relevant Persons owes or accepts any duty, liability or responsibility to him, whether in contract or in tort (including, without limitation, negligence and breach of statutory duty) or otherwise and shall not be liable in respect of any loss, damage or expense whatsoever in relation to the Rights Issue;
 - (xii) he will not be entitled to exercise any remedy of rescission for misrepresentation at any time after his acceptance of the provisionally allotted Rights Shares and (if applicable) his application for Excess Rights Shares;
 - (xiii) in respect of the Rights Shares for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (xiv) unless expressly provided to the contrary in this Offer Information Statement and/or the Electronic Application, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
17. The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Banks are correct and identical; otherwise, his Electronic Application through an ATM of a Participating Bank may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.
18. The existence of a trust will not be recognised. Any Electronic Application through an ATM of a Participating Bank by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
19. In the event that the Applicant accepts the provisionally allotted Rights Shares and (if applicable) applies for Excess Rights Shares, as the case may be, by way of the ARE and/or the ARS and/or by way of an Electronic Application through an ATM of the Participating Banks and/or through an Accepted Electronic Service, the provisionally allotted Rights Shares and/or Excess Rights Shares will be allotted in such manner as the Company and/or CDP may, in their/its absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be returned or refunded, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares by any one or a combination of the following:
- (i) by crediting the Applicant's designated bank account via CDP's Direct Crediting Service **AT HIS OWN RISK** if he accepts and (if applicable) applies through CDP or through an Accepted Electronic Service. In the event that such Applicant is not subscribed to CDP's Direct Crediting Service, any monies to be returned or refunded will be retained by CDP and

reflected under the Cash Transaction section of his CDP monthly account statement (the retention by CDP being a good discharge of the Company's and the Sole Financial Adviser, Manager and Underwriter's obligations); and

- (ii) by crediting the Applicant's bank account with the Participating Bank **AT HIS OWN RISK** if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank being a good discharge of the Company's, the Sole Financial Adviser, Manager and Underwriter's and CDP's obligations.

20. The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotments of Rights Shares which he can validly accept, the Company and/or CDP are entitled, and the Applicant hereby authorises the Company and/or CDP, to take into consideration:

- (i) the total number of Rights Shares represented by the provisional allotments of Rights Shares which the Applicant has validly accepted, whether under the ARE and/or the ARS or any other form of application (including an Electronic Application through an ATM of a Participating Bank or through an Accepted Electronic Service) for the Rights Shares;
- (ii) the total number of Rights Shares represented by the provisional allotments of Rights Shares standing to the credit of the "Free Balance" of the Applicant's Securities Account which is available for acceptance; and
- (iii) the total number of Rights Shares represented by the provisional allotments of Rights Shares which has been disposed of by the Applicant.

The Applicant hereby acknowledges that the Company's and/or CDP's determination shall be conclusive and binding on him.

21. The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application through an ATM of that Participating Bank is made in respect of the provisional allotments of Rights Shares accepted by the Applicant and (if applicable) the Excess Rights Shares which the Applicant has applied for.

22. With regard to any acceptance of the provisional allotments of Rights Shares, (if applicable) application for Excess Rights Shares and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue, or where the "Free Balance" of the Applicant's Securities Account is not credited with, or is credited with less than, the relevant number of Rights Shares subscribed as at the Closing Date, or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an acceptance and/or application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, (if applicable) application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.

23. The Company and/or CDP shall be entitled to process each application submitted for the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Applicant, on its own, without regard to any other application and payment that may be submitted by the same Applicant. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares.

PROCEDURES FOR APPLICATION, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

1. INTRODUCTION

- 1.1 Entitled Scripholders are entitled to access and download this Offer Information Statement electronically and receive the OIS Notification Letter with the following documents which are enclosed with the OIS Notification Letter, and are deemed to constitute a part of, this Offer Information Statement:

PAL incorporating:

Form of Acceptance	Form A
Request for Splitting	Form B
Form of Renunciation	Form C
Form of Nomination	Form D
Excess Rights Shares Application Form	Form E

- 1.2 The provisional allotment of the Rights Shares is governed by the terms and conditions of this Offer Information Statement, the PAL and (if applicable) the Constitution of the Company. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlements, if any, having been disregarded). Entitled Scripholders may accept their provisional allotments of Rights Shares, in full or in part, and are eligible to apply for Rights Shares in excess of their provisional allotments of Rights Shares under the Rights Issue.
- 1.3 Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split their provisional allotments of Rights Shares are set out in this Offer Information Statement as well as the PAL.
- 1.4 With regard to any acceptance of the provisional allotments of Rights Shares, (if applicable) application for Excess Rights Shares and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the terms and conditions of this Offer Information Statement, or in the case of an acceptance and/or application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or the Share Registrar may, at their/its absolute discretion, accept, reject, treat as valid and/or treat as invalid any such acceptance, (if applicable) application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.
- 1.5 The Company and/or the Share Registrar shall be entitled to process each application submitted for the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares.

- 1.6 Entitled Scripholders who intend to trade any part of their provisional allotments of Rights Shares on the SGX-ST should note that all dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.**
- 1.7 Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the PAL has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- 1.8 By subscribing in the Rights Issue, an Entitled Scripholder or a renounee will be deemed to warrant, represent, agree and acknowledge that (i) he, and any account on whose behalf he is subscribing, are, (a) outside the United States (within the meaning of Regulation S under the Securities Act) and (b) acquiring the Rights, the Rights Shares and/or the Excess Rights Shares in an offshore transaction in accordance with Regulation S; (ii) the Rights, the Rights Shares, and/or the Excess Rights Shares have not been and will not be registered under the Securities Act and accordingly, are being offered and sold only outside the United States in an offshore transaction in accordance with and in reliance on Regulation S; and (iii) the Company, the Company's advisers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

2. FORM OF ACCEPTANCE (FORM A)

2.1 Acceptance

An Entitled Scripholder who wishes to accept his entire provisional allotments of Rights Shares or to accept any part of it and decline the balance, should:

- (i) complete and sign the Form of Acceptance (Form A) for the number of Rights Shares which he wishes to accept; and
- (ii) forward **AT THE SENDER'S OWN RISK**, by post in the self-addressed envelope provided, the PAL in its entirety, duly completed and signed, together with a single remittance for the full amount due and payable on acceptance in the manner hereinafter prescribed to **SEMBCORP MARINE LTD, C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD., 333 NORTH BRIDGE ROAD, #08-00, KH KEA BUILDING, SINGAPORE 188721** so as to reach the Share Registrar no later than **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.2 Insufficient Payment

The attention of the Entitled Scripholder is also drawn to paragraph 2.3 below entitled "Appropriation" which sets out the circumstances and manner in which the Company and/or the Share Registrar shall be authorised and entitled to determine the number of Rights Shares which the Entitled Scripholder has given instructions to accept.

2.3 Appropriation

An Entitled Scripholder should note that by accepting his provisional allotments of Rights Shares, he acknowledges that, the Company and/or the Share Registrar, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore.

3. REQUEST FOR SPLITTING (FORM B) AND FORM OF RENUNCIATION (FORM C)

- 3.1 Entitled Scripholders who wish to accept a portion of their provisional allotments of Rights Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one person, should first, using the Request for Splitting (Form B), request to have their provisional allotments of Rights Shares under the PAL split into separate PALs (“**Split Letters**”) according to their requirements. The duly completed and signed Request for Splitting (Form B) together with the PAL in its entirety should then be returned, by post in the self-addressed envelope provided, **AT THE SENDER’S OWN RISK**, to **SEMBCORP MARINE LTD, C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD., 333 NORTH BRIDGE ROAD, #08-00, KH KEA BUILDING, SINGAPORE 188721**, so as to reach the Share Registrar no later than **5.00 p.m. on 8 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if the Request for Splitting (Form B) together with the PAL in its entirety is received after **5.00 p.m. on 8 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.2 The Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce may be renounced by completing and signing the Form of Renunciation (Form C) before delivery to the renounee. Entitled Scripholders should complete and sign the Form of Acceptance (Form A) of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any. The said Split Letter(s) together with the remittance for the payment (if required) in the prescribed manner should be forwarded to **SEMBCORP MARINE LTD, C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD., 333 NORTH BRIDGE ROAD, #08-00, KH KEA BUILDING, SINGAPORE 188721** so as to reach the Share Registrar no later than **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.3 Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete and sign the Form of Renunciation (Form C) for the number of provisional allotments of Rights Shares which they wish to renounce and deliver the PAL in its entirety to the renounees. **Entitled Scripholders are to deliver the OIS Notification Letter to the renounees together with the PAL.**

4. FORM OF NOMINATION (WITH CONSOLIDATED LISTING FORM) (FORM D)

- 4.1 The renounee(s) should complete and sign the Form of Nomination (Form D) and forward the Form of Nomination (Form D), together with the PAL in its entirety, duly completed and signed, and a single remittance for the full amount due and payable in the prescribed manner by post **AT THE SENDER’S OWN RISK**, in the self-addressed envelope provided, to **SEMBCORP MARINE LTD, C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD., 333 NORTH BRIDGE ROAD, #08-00, KH KEA BUILDING, SINGAPORE 188721**, so as to reach the Share Registrar no later than **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 4.2 Each Entitled Scripholder may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing the Form of Acceptance (Form A) and the Consolidated Listing Form in the Form of Nomination (Form D) of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in the Form of Nomination (Form D) of only one (1) PAL or Split Letter (the “**Principal PAL**”) by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of

them. **ALL THE RENOUNCED PALs AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO THE FORM OF ACCEPTANCE (FORM A) OR THE FORM OF NOMINATION (FORM D) (AS THE CASE MAY BE).**

5. PAYMENT

- 5.1** Payment in relation to the PALs must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**SCM RIGHTS SHARE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. The completed PAL and remittance should be addressed and forwarded, by post in the self-addressed envelope provided and **AT THE SENDER'S OWN RISK**, to **SEMBCORP MARINE LTD, C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD., 333 NORTH BRIDGE ROAD, #08-00, KH KEA BUILDING, SINGAPORE 188721** so as to reach the Share Registrar no later than **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**
- 5.2** If acceptance and (if applicable) excess application and payment in the prescribed manner as set out in this Offer Information Statement and the PAL is not received by **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotments of Rights Shares will be deemed to have been declined and will forthwith lapse and become void and cease to be capable of acceptance and such provisional allotments of Rights Shares not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return or refund all unsuccessful application monies received in connection therewith **BY ORDINARY POST AND AT THE RISK OF THE ENTITLED SCRIPHOLDERS OR THEIR RENOUNCEE(S), AS THE CASE MAY BE**, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares.

6. EXCESS RIGHTS SHARES APPLICATION FORM (FORM E)

- 6.1** Entitled Scripholders who wish to apply for Excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing the Excess Rights Shares Application Form (Form E) and forwarding it together with the PAL in its entirety with a **separate single** remittance for the full amount payable in respect of the Excess Rights Shares applied for in the form and manner set out in paragraph 5 above, by post in the self-addressed envelope provided **AT THE SENDER'S OWN RISK**, to **SEMBCORP MARINE LTD, C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD., 333 NORTH BRIDGE ROAD, #08-00, KH KEA BUILDING, SINGAPORE 188721** so as to reach the Share Registrar no later than **5.00 p.m. on 14 September 2021** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**
- 6.2** The Excess Rights Shares available for application are subject to the terms and conditions contained in the PAL, the Excess Rights Shares Application Form (Form E), this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, the aggregated fractional entitlements to the Rights Shares, the unsold "nil-paid" provisional allotments of Rights Shares (if any) of Ineligible Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the PAL, the Excess Rights Shares Application Form (Form E), this Offer Information Statement and (if applicable) the Constitution of the Company. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the

Company. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots. 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 last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to reject, in whole or in part, any application for Excess Rights Shares without assigning any reason whatsoever. For the avoidance of doubt, only Entitled Shareholders (and not Purchasers or renounees) shall be entitled to apply for Excess Rights Shares in excess of their provisional allotments.

- 6.3** If no Excess Rights Shares are allotted to Entitled Scripholders or if the number of Excess Rights Shares allotted to them is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be returned or refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of trading of the Rights Shares, **BY ORDINARY POST** to their mailing addresses as maintained in the records of the Company **AT THEIR OWN RISK**.

7. GENERAL

- 7.1** No acknowledgements or receipts will be issued in respect of any acceptances, remittances, applications or payments received.
- 7.2 Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**
- 7.3** Upon listing and quotation on the Main Board of the SGX-ST, the Rights Shares, when allotted and issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "*Terms and Conditions for Operations of Securities Accounts with CDP*", as the same may be amended from time to time. Copies of the above are available from CDP.
- 7.4 To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and (if applicable) the Excess Rights Shares that may be allotted to them can be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or (if applicable) apply for the Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical share certificates in their own names for the Rights Shares allotted to them and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title. These physical share certificates will be sent BY ORDINARY POST to person(s) entitled thereto AT HIS/THEIR OWN RISK.**

- 7.5 If the Entitled Scripholders' addresses stated in the PAL are different from their addresses maintained in the records of CDP, they must inform CDP of their updated addresses promptly, failing which the notification letter on successful allotments and other correspondences will be sent to their addresses last registered with CDP.
- 7.6 A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his existing share certificate(s), together with the duly executed instrument(s) of transfer (including any applicable fee) in favour of CDP, and have his Securities Account credited with the number of Rights Shares or existing Shares, as the case may be, before he can effect the desired trade.
- 7.7 **THE FULL AMOUNT PAYABLE FOR THE RELEVANT NUMBER OF RIGHTS SHARES ACCEPTED/APPLIED FOR WILL BE ROUNDED UP TO THE NEAREST WHOLE CENT, IF APPLICABLE.**
- 7.8 **THE LAST TIME AND DATE FOR ACCEPTANCES OF AND/OR (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IS 5.00 P.M. ON 14 SEPTEMBER 2021 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).**
- 7.9 **Personal Data Privacy**

By completing and delivering the PAL, an Entitled Scripholder or a renouncee (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.