

NOTICE OF ANNUAL GENERAL MEETING

SEMBCORP MARINE LTD

(Incorporated in Singapore)

Company Registration No. 196300098Z

NOTICE IS HEREBY GIVEN THAT the 59th Annual General Meeting of Sembcorp Marine Ltd (the “Company”) will be convened and held by way of electronic means on Wednesday, 20 April 2022 at 11.00 a.m. (Singapore time) to transact the following business:

ROUTINE BUSINESS

- 1 To receive and adopt the directors’ statement and audited financial statements for the year ended 31 December 2021 and the auditors’ report thereon. **Resolution 1**
- 2 To re-elect the following directors, each of whom will retire by rotation pursuant to article 94 of the Company’s Constitution and/or submit himself/herself for re-appointment pursuant to Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited and who, being eligible, have offered themselves for re-election:
 - (a) Mr Wong Weng Sun **Resolution 2**
 - (b) Mrs Gina Lee-Wan **Resolution 3**
 - (c) Mr Patrick Daniel **Resolution 4**
 - (d) Mr Tan Wah Yeow **Resolution 5**
- 3 To re-elect Mr Yap Chee Keong, who will cease to hold office pursuant to article 100 of the Company’s Constitution and who, being eligible, has offered himself for re-election. **Resolution 6**
- 4 To approve directors’ fees of up to S\$2,250,000 for the year ending 31 December 2022 (2021: up to S\$1,800,000). **Resolution 7**
- 5 To re-appoint KPMG LLP as the auditors of the Company and to authorise the directors to fix their remuneration. **Resolution 8**

SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modifications, the following resolutions which will be proposed as Ordinary Resolutions:

- 6 That authority be and is hereby given to the directors to: **Resolution 9**
 - (a) (i) issue shares of the Company (“shares”) whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

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

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

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 5% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (the “SGX-ST”)) for the purpose of determining the aggregate number of shares that may be issued under paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent bonus issue or consolidation or subdivision of shares,and, in paragraph (1) above and this paragraph (2), “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

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

Resolution 10

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

provided that:

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

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

8 That:

Resolution 11

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual (“Chapter 9”) of the Singapore Exchange Securities Trading Limited, for the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9), or any of them, to enter into any of the transactions falling within the types of interested person transactions described in the Appendix to the Company’s Letter to Shareholders dated 29 March 2022 (the “Letter”) with any party who is of the class of interested persons described in the Appendix to the Letter, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions;
- (b) the approval given in paragraph (a) above (the “IPT Mandate”) shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company; and

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

9 That:

Resolution 12

- (a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (the “Companies Act”), the exercise by the directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares of the Company (“Shares”) not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) market purchase(s) on the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and/or any other securities exchange on which the Shares may for the time being be listed and quoted (“Other Exchange”); and/or
- (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST or, as the case may be, the Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

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

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

- (i) the date on which the next annual general meeting of the Company is held;
- (ii) the date by which the next annual general meeting of the Company is required by law to be held; and
- (iii) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

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(c) in this Resolution:

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

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

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

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

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

By Order of the Board

Tan Yah Sze/Kem Huey Lee Sharon
Joint Company Secretaries

29 March 2022
Singapore

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EXPLANATORY NOTES:

Resolutions 2 to 6 – Detailed information on these directors can be found under the Board of Directors, Corporate Governance Report and Supplementary Information sections in the Annual Report 2021.

If re-elected, Mr Wong Weng Sun will remain as a member of the Executive Committee. He is the President & Chief Executive Officer of the Company and is considered a non-independent director.

If re-elected, Mrs Gina Lee-Wan will remain as a member of the Board Risk Committee and Special Committee. She is considered an independent director.

If re-elected, Mr Patrick Daniel will remain as a member of the Audit Committee, Executive Committee, Executive Resource & Compensation Committee and Nominating Committee, and will be appointed as the Chairman of the Executive Resource & Compensation Committee and Nominating Committee with effect from the conclusion of the annual general meeting. He is considered an independent director.

If re-elected, Mr Tan Wah Yeow will remain as the Chairman of the Audit Committee and a member of the Board Risk Committee. He is considered an independent director.

If re-elected, Mr Yap Chee Keong will remain as the Deputy Chairman of the Board of Directors and a member of the Executive Committee. He is considered an independent director.

Mr Eric Ang Teik Lim has also given notice to the Company that he wishes to step down as a director with effect from the conclusion of the annual general meeting. He will concurrently relinquish his roles as the Lead Independent Director, the Chairman of the Executive Resource & Compensation Committee, the Chairman of the Nominating Committee and a member of the Board Risk Committee.

Resolution 7 – This resolution, if passed, will facilitate the payment of directors' fees of up to S\$2,250,000 for the non-executive directors of the Company for the year ending 31 December 2022 (2021: up to S\$1,800,000). Shareholders' approval is being sought for a higher amount of directors' fees for year 2022 mainly because of the inclusion of an all-in fee for the Deputy Chairman of the Board who was appointed in December 2021. The amount of directors' fees is computed based on the anticipated number of board and committee meetings for year 2022, assuming full attendance by all of the non-executive directors. In the event that the amount proposed is insufficient, approval will be sought at the next annual general meeting in year 2023 ("2023 AGM") before payments are made to directors for the shortfall.

Directors and their associates will abstain from voting on Resolution 7. The Chairman of the Meeting will accept appointment as proxy for any other shareholder to vote in respect of Resolution 7, where such shareholder has given specific instructions in a validly completed and submitted proxy form as to voting, or abstentions from voting, in respect of Resolution 7.

The current intention is that (save for Mr Koh Chiap Khiong) the directors' fees for the non-executive directors for year 2022 will comprise a cash component and a share component, with up to 30% being delivered in the form of restricted share awards under the Sembcorp Marine Restricted Share Plan 2020. Any such award would typically consist of the grant of fully paid shares outright with no performance or vesting conditions attached, but with a selling moratorium. Under the directors' fee framework (which is set out on page 59 of the Annual Report 2021), non-executive directors are required to hold shares (including shares obtained by other means) worth at least the value of the basic retainer fee of S\$75,000. Any excess may be disposed of as desired. A non-executive director can dispose of all of his shares one year after leaving the Board. The director's fee due to Mr Koh, who holds an executive position in Sembcorp Industries Ltd ("SCI"), will be paid wholly in cash to SCI.

The cash component of the directors' fees for year 2022 is intended to be paid half-yearly in arrears. The share component of the directors' fees for year 2022 is intended to be delivered after the 2023 AGM has been held. The actual number of shares to be awarded to each non-executive director holding office at the time of the payment is intended to be determined by reference to the volume-weighted average price of a share on the Singapore Exchange Securities Trading Limited (the "SGX-ST") over the 14 trading days from (and including) the day on which the shares are first quoted ex-dividend after the 2023 AGM (or, if no final dividend is proposed at the 2023 AGM, or the resolution to approve any such final dividend is not approved at the 2023 AGM, over the 14 trading days immediately following the date of the 2023 AGM). The number of shares to be awarded will be rounded down to the nearest hundred and any residual balance will be settled in cash. A non-executive director who steps down before the delivery of the share component will receive all of his directors' fees for year 2022 (calculated on a pro-rated basis, where applicable) in cash.

Resolution 9 – This resolution is to empower the directors to issue shares of the Company and to make or grant Instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such Instruments, up to a number not exceeding 50% of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings), of which up to 5% may be issued other than on a pro rata basis to shareholders. The aggregate number of shares which may be issued shall be based on the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) at the time that Resolution 9 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time that Resolution 9 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares. As at 8 March 2022 (the "Latest Practicable Date"), the Company had 6,223 treasury shares and no subsidiary holdings.

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Resolution 10 – This resolution is to empower the directors to offer and grant awards pursuant to the Sembcorp Marine Performance Share Plan 2020 and the Sembcorp Marine Restricted Share Plan 2020 (collectively, the “Share Plans”) and to issue ordinary shares of the Company pursuant to the vesting of awards granted pursuant to the Share Plans provided that: (a) the aggregate number of (i) new ordinary shares allotted and issued and/or to be allotted and issued, (ii) existing ordinary shares (including shares held in treasury) delivered and/or to be delivered, and (iii) ordinary shares released and/or to be released in the form of cash in lieu of ordinary shares, pursuant to the Share Plans shall not exceed 5% of the total number of issued ordinary shares of the Company (excluding treasury shares and subsidiary holdings) from time to time; and (b) the aggregate number of ordinary shares under awards to be granted pursuant to the Share Plans during the period commencing from this annual general meeting to the next annual general meeting shall not exceed 0.5% of the total number of issued ordinary shares of the Company (excluding treasury shares and subsidiary holdings) from time to time.

Resolution 11 – This resolution is to renew the mandate to enable the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9 of the Listing Manual of the SGX-ST), or any of them, to enter into certain interested person transactions with specified classes of interested persons, as described in the Letter to Shareholders dated 29 March 2022 (the “Letter”). Please refer to the Letter for more details.

Resolution 12 – This resolution is to renew the mandate to enable the Company to purchase or otherwise acquire issued ordinary shares of the Company, on the terms and subject to the conditions set out in the resolution.

The Company intends to use internal and/or external sources of funds to finance the purchase or acquisition of its ordinary shares. The amount of financing required for the Company to purchase or acquire its ordinary shares, and the impact on the Company’s financial position, cannot be ascertained as at the date of this Notice as these will depend on the number of ordinary shares purchased or acquired, the price at which such ordinary shares were purchased or acquired and whether the ordinary shares purchased or acquired are held in treasury or cancelled.

Based on the existing issued ordinary shares as at the Latest Practicable Date and excluding any ordinary shares held in treasury, the purchase by the Company of 2% of its issued ordinary shares (and disregarding the 6,223 ordinary shares held in treasury) will result in the purchase or acquisition of 627,781,983 ordinary shares.

In the case of both market purchases and off-market purchases by the Company and assuming that the Company purchases or acquires the 627,781,983 ordinary shares at the Maximum Price of S\$0.09 for one ordinary share (being the price equivalent to 105% of the average of the last dealt prices of the ordinary shares for the five consecutive market days on which the ordinary shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 627,781,983 ordinary shares is S\$56,500,378.

The financial effects of the purchase or acquisition of such ordinary shares by the Company pursuant to the proposed Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended 31 December 2021 based on these assumptions are set out in paragraph 3.7 of the Letter.

Please refer to the Letter for more details.

NOTES:

- 1 The 59th Annual General Meeting (“AGM”) is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the Company’s website at the URL <https://www.sembmarine.com/investor-relations/annual-general-meeting> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Participation in the AGM via electronic means

- 2 Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions at or before the AGM and voting by appointing the Chairman of the Meeting as proxy at the AGM, are set out in the accompanying Company’s announcement dated 29 March 2022. This announcement may be accessed at the Company’s website at the URL <https://www.sembmarine.com/investor-relations/stock-exchange-announcements> and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

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Voting by appointing Chairman of the Meeting as proxy

- 3 **As a precautionary measure due to the current COVID-19 situation in Singapore, a member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.** The accompanying proxy form for the AGM may be downloaded from the Company's website at the URL <https://www.sebmarine.com/investor-relations/annual-general-meeting> and from the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 7 April 2022.

- 4 The Chairman of the Meeting, as proxy, need not be a member of the Company.
- 5 The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:
- (a) if submitted by post, be lodged with the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 24 Raffles Place, #07-07 Clifford Centre, Singapore 048621; or
 - (b) if submitted electronically, be submitted via email to the Company's Share Registrar at sebmarine-agm@kckcs.com.sg,

in either case, not less than 72 hours before the time appointed for holding the AGM.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

Due to the current COVID-19 situation in Singapore, members are strongly encouraged to submit completed proxy forms electronically via email.

Annual Report 2021 and Letter to Shareholders

- 6 The Annual Report 2021 and the Letter to Shareholders dated 29 March 2022 (in relation to the proposed renewal of the mandate for interested person transactions and the proposed renewal of the share purchase mandate) may be accessed at the Company's website as follows:
- (a) the Annual Report 2021 may be accessed at the URL <https://www.sebmarine.com/investor-relations/annual-report> by clicking on the "DOWNLOAD PDF" button; and
 - (b) the Letter to Shareholders dated 29 March 2022 may be accessed at the URL <https://www.sebmarine.com/investor-relations/circular-to-shareholder> by clicking on the hyperlink "Letter to Shareholders dated 29 March 2022".

The above documents may also be accessed at the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing the Chairman of the Meeting as proxy to attend, speak and vote at the 59th Annual General Meeting ("AGM") and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.