



Company Registration Number: 196300098Z

UPDATE ON EXTENSION OF TIME FOR PAYMENT OF RECEIVABLES FROM BORR DRILLING

Singapore, 18 August 2022 – Sembcorp Marine Ltd (the “**Company**”) refers its announcement dated 28 December 2021 concerning its wholly-owned subsidiary, PPL Shipyard Pte Ltd (“**PPLS**”), reaching in-principle agreement (“**Agreement**”) with Borr Drilling Limited (“**Borr Drilling**”) to defer PPL’s receivables from Borr Drilling from 2023 to 2025 (“**Deferment**”) .

The Company would like to update that in light of the improving oil and gas drilling market, the Company and Borr Drilling have in-principle agreed to improved terms for the Deferment. These terms include earlier and higher amounts of interest payment and partial principal repayment in 2023 and 2024.

The Company and Borr Drilling expect to proceed with execution of final documentation as soon as practicable. Prior to this, Borr Drilling expects to fulfil required conditions including the raising of certain amounts of equity and completion of refinancing of its other secured creditors.

The entry into this in-principle agreement and subsequent definitive agreements with Borr Drilling are not expected to have a material impact on the net tangible assets or earnings per share of the Company in FY2022.

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About Sembcorp Marine

Sembcorp Marine provides innovative engineering solutions to the global offshore, marine and energy industries. 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. Sembcorp Marine’s solutions focus on the following areas: Renewables, Process, Gas, Ocean Living and Advanced Drilling Rigs.

Sembcorp Marine’s customers include major energy companies, owners of floating production units, shipping companies and cruise and ferry operators. They are supported by four commercial units: Rigs & Floaters; Repairs & Upgrades; Offshore Platforms and Specialised Shipbuilding.

Sembcorp Marine operates shipyards and other facilities in Singapore, Indonesia, the United Kingdom, Norway and Brazil.

Discover more at www.sembmarine.com.

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