



Company Registration Number: 196300098Z

*Unless otherwise defined or specified, all terms and references used herein shall bear the same meanings ascribed to them in the Circular dated 31 January 2023 on the Proposed Combination (the "Circular").*

**Singapore, 14 February 2023:** Sembcorp Marine Ltd (the "**Company**" or "**Sembcorp Marine**", together with its subsidiaries, the "**SCM Group**") has sent the following reply to the Letter to the Editor which was published in the Business Times on 13 February 2023.

The Editor,  
Business Times,  
Singapore

Dear Editor,

Sembcorp Marine refers to the Letter published in the Business Times on 13 February 2023, ("*Crucial Sembmarine EGM should be in-person*").

The Board of Sembcorp Marine had considered various options for the EGM to be held on Thursday, 16 February 2023.

A physical EGM is not feasible as the current number of Sembcorp Marine Shareholders exceeds 75,000. This makes it impossible to accurately estimate the likely attendance in person - especially for an EGM of this importance - and to secure a large enough venue for a physical EGM.

A further important factor is that a large physical turnout raises the risk of a COVID-19 event, especially since many of our shareholders are seniors.

We next considered the hybrid meeting option, i.e. a physical event restricted to a limited number of shareholders, with the rest attending virtually. However, this too faces the logistical difficulty of estimating the number of shareholders who want to attend in person and managing any excess number of shareholders who would be denied access on the day due to capacity constraints, thereby losing the opportunity to exercise their vote.

We then opted for a fully virtual EGM, which allows shareholders to vote "live", as this addresses all the difficulties highlighted above. The use of technology makes this the most practical and effective option, especially as the aim of this EGM is to allow the largest number of shareholders to exercise their vote on the resolution on the Proposed Combination.

SGX announced on 15 December 2022 that listed issuers may continue with virtual general meetings until the current rules are revoked on 1 July 2023. However, issuers must utilise real-time electronic voting and electronic communication. SGX also noted that several listed companies have successfully held virtual general meetings despite a large shareholder base and a high number of attendees.

We recognise that a virtual EGM does not provide shareholders with the opportunity to interact with and have an in-person session with the Board and Management. Therefore, over the past few months, we have organised a number of dialogues with shareholders to address their concerns and questions. We have also shared publicly our responses to the issues they raised at these dialogues.

We hope that shareholders will read carefully our Circular on the Proposed Combination and our responses to the questions from SIAS and other shareholders. We will also be addressing questions posted “live” during the EGM. The Chairman will ensure that all relevant and substantial questions are responded to before putting the resolution to a vote.

Your writer also suggested that the EGM could be postponed to enable an in-person meeting to be held. We disagree with this as any further delay may have an adverse impact on customer confidence and new orders.

A final point is that your writer described the Proposed Combination as a reverse takeover. This is incorrect.

The Proposed Combination constitutes a “very substantial acquisition” as defined under the SGX Listing Manual. The Proposed Combination is not treated as a reverse takeover as there will be no change in shareholding control of Sembcorp Marine. Following the completion of the Proposed Combination, Temasek will remain the single largest shareholder with 35.5% and it is expected that no other single shareholder will hold more than 15% of Sembcorp Marine.

Tan Yah Sze/Kem Huey Lee Sharon  
Joint Company Secretaries

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