

FY2025 RESULTS ANALYSTS & MEDIA BRIEFING – TRANSCRIPT

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Management Representatives

- Mr Chris Ong, Chief Executive Officer (CEO)
- Dr Stephen Lu, Chief Financial Officer (CFO)
- Ms Amelia Lee, Head of Investor Relations & Corporate Communications

Introduction

Amelia Lee: Good morning everyone. Thank you for joining us at Seatrium’s full-year 2025 results briefing. My name is Amelia and I take care of investor relations and corporate communications for Seatrium. This morning we have with us our CEO, Mr Chris Ong, and CFO, Dr Stephen Lu. Chris and Stephen will bring us through a short presentation before we open the floor to questions. Chris please.

CEO’s Address

Chris Ong: Thank you Amelia. Good morning and thank you for joining us today at Seatrium’s full-year 2025 results briefing. Before I start, I would like to wish everybody a very happy and healthy lunar new year – good year ahead!

I am pleased to report a strong set of results in our second full year since merger, with robust revenue growth driven by strong project progress; and doubled the net profit that is an undeniable reflection of our laser-sharp focus on driving margin efficiencies and execution.

For the first time, we’ve recorded a positive 1-Year Total Shareholder Return of 5.2%, as we strive to continue driving lasting value for all shareholders on strengthened fundamentals.

Our strong performance also comes on the back of heightened geopolitical and macroeconomic uncertainties that companies around the world had to grapple with. Despite some delays in investment decisions in several markets in the first half of 2025, we still secured over S\$4 billion of new orders in FY2025. This replenished our net order book that stands strongly at S\$17.8 billion as at 31 December 2025.

Meanwhile, we are actively pursuing more than S\$32 billion in pipeline deals, which reflects sustained investments by our customers to meet growing energy demand that is fuelled by technological advancements, including AI (Artificial Intelligence).

Third, we are today stronger and leaner than before. We’ve spent the last few years transforming our business and cost model, the way we work, and the way we do business. 95% of our net order book today is made up of Series-Build projects that offer lower execution risks for both ourselves and our customers. Non-FPSO (Floating Production Storage and Offloading unit) legacy projects, which are relatively lower margin and higher risks compared to post-merger contracts, now constitute just over 1% of our net order book. We have also achieved our synergy and cost-savings targets, accelerated non-core divestments to reduce overheads, and importantly, brought closure to Operation Car Wash in FY2025. This allows us to move forward with greater clarity, and step forward with larger strides as we leave legacy issues behind us.

Together, these achievements reflect the merits of our strategy, and that we are ready to build real, sustainable momentum for the future.

Turning to our financial performance, we delivered a second consecutive year of strong topline growth, with revenue growing 24% to S\$11.5 billion from S\$9.2 billion a year ago. This reflects the strength of our order book and the disciplined execution that continues to drive reliable delivery to our customers.

Net profit came in at S\$324 million, more than double of S\$157 million in FY2024, outpacing revenue growth and underscoring the strong progress that we are making in expanding margins – which Stephen will talk about in greater detail.

Our progress is best reflected in how we execute for our customers. Let me now highlight two projects that showcase the power of our One Seatrium Global Delivery Model.

First, FPSO P-78. We've achieved first oil in record time on 31 December 2025, and first gas is expected in 1Q2026. Being built across our yards in Brazil, China and integrated in Singapore, this accelerated progress is a strong testament of our One Seatrium Global Delivery Model and also showcases the expansion of our end-to-end delivery capabilities, from engineering to offshore commissioning. P-78 is the first of six advanced, greener P-series FPSOs, and it sets a strong benchmark for subsequent units.

Next, on Empire Wind – the project is now over 97% complete and is situated on site in the US, on track for delivery this year. Once operational, it will deliver 810MW (Megawatt) of clean energy to New York, enough power to power more than 500,000 homes. Both the topsides and jacket were built across our Singapore and Batam yards, demonstrating our integrated delivery capability.

The remaining exposure in our net order book to the US Offshore Wind market has reduced to less than S\$10 million, with Empire Wind and the offshore substation for Ørsted very close to completion. The WTIV (Wind Turbine Installation Vessel) for Maersk Offshore Wind is targeted to complete end of the month. In fact, we are in discussion to deliver her within the next few days.

Our future is taking shape with clarity – strong order book today for near-term earnings visibility, and a resilient pipeline that set us up for sustained growth tomorrow. We have been disciplined in ensuring we win high-quality contracts from world-class customers, with mid-teens, risk-adjusted project margins and progressive milestone payments. Our ability to win these projects reflect the strong trust customers place in us across conventional energy and renewables.

Amidst a tough macro environment, we secured over S\$4 billion of new orders, supported by returning customers and new partnerships. These include our first collaboration with Penta-Ocean Construction, marking our entry into the Japanese offshore wind market; and BalWin5, our fourth 2GW (Gigawatt) HVDC (High Voltage Direct Current) project with TenneT and our first for Germany under the 2GW programme.

Next, our net order book of over S\$17 billion is equivalent to over 1.5 times of our very strong FY2025 revenue. Six P-series FPSOs, three US-bound FPUs, and major HVDC and HVAC platforms are all progressing well, demonstrating the strength and depth of our global delivery model.

We've been transparent about the challenges we've faced from non-FPSO legacy projects, which now constitute just slightly over 1% of our net order book. In the same spirit of transparency, we'd also like to share that the delivery of naval project, NApAnt, has been delayed to 2027 instead of the original 2026 schedule. We are working closely with the customer to navigate this specialised shipbuilding project to manage execution risks.

With a declining proportion of lower-margin non-FPSO legacy projects, we expect an improving mix of higher-margin, post-merger contracts and a reducing trend of provisions moving ahead.

Moving ahead, we still see ample market opportunities as we actively pursue S\$32 billion in pipeline deals. Despite the lower oil price environment, it is widely established that the breakeven price of deepwater fields remain well below prevailing oil prices. Alongside strong demand for energy, the ongoing energy transition and the need for energy security, especially in Europe where we've seen some favourable market developments for Offshore Wind – this gives us a long runway to capture high-value work across the full energy spectrum.

We have been asked how are we positioned competitively to capture a good share of these pipeline opportunities. Despite being just formed three years ago during the merger, we have under our belt 60 years of proven track record; and a unique ability to deliver projects with consistent safety standards and quality across a large global manufacturing footprint that presents scalability, geopolitical diversity and some cost arbitrage opportunities. These are not competitive levers that many players around the world have, but we do not ever stop evolving.

We've been in business for over 60 years; we are not new to change. We are still standing strong today because we have successfully evolved alongside the industry – which is essentially critical now as the whole world is in transition towards cleaner energy sources. This is only possible with robust capabilities in technology development, where we take a practical, market-led approach to innovation to stay ahead and maintain our long-term competitive edge.

Today we own proprietary designs, such as the FLEXHull™ that we are already using in active FPSO tenders to sharpen our competitive edge where proposed designs are evaluated as part of the bid. We've also developed our own designs for FLNG (Floating Liquefied Natural Gas unit) and offshore substation, which has recently attained AiP (Approval in Principle). Longer-term, we are also developing solutions for floating wind and other emerging energies to ensure we remain ahead of the curve.

Our Series Build approach – design once, build many – reduces execution risks, shortens schedules and improves margins, ensuring projects are delivered safely, on time, on quality and within budget.

Today, about 95% of our net order book comprises Series Build projects, underscoring the strength and scalability of this approach. On top of the existing franchises in grey where we've established the Series Build strategy, we are expanding this to Powerships where we see strong potential; as well as applying the same principles to FSU/FSRU (Floating Storage Unit / Floating Storage Regasification Unit) conversions especially since we've already done 90% of the world's FSU/FSRU conversions, which is an unparalleled track record world-wide.

Last August, we signed an LOI (Letter of Intent) with a long-time partner, Karpowership, for the integration of four new-generation Powerships, plus the option for two more – a strong endorsement of our capability and scalability in this adjacent segment. Integration works will start 1Q2027. The LOI also includes conversion, life extension and repairs of 3 LNG (Liquefied Natural Gas) carriers into FSRUs – these are examples of higher value work that we are refocusing our repairs and upgrades business on.

These capabilities and high-value franchises will position us well for the next wave of opportunities.

Our >\$32 billion opportunity pipeline over the next 24 months is diversified across segments, geography and asset types – some of which offer distinct market cycles for business resilience. Many of these opportunities are also aligned to our Series Build franchises.

Over the next 24 months, we are pursuing S\$23 billion in Oil & Gas opportunities, driven mainly by the Americas region. We still see strong opportunities in Brazil where our long-term customer has disclosed its pipeline for the next five years. This is also where we have strong leadership for local content through our three established yards. We are also well-positioned in Guyana for high-value integration work and topside fabrication, where we have participated in all of the FPSO work for the Stabroek Block so far. Apart from the usual opportunities that the market expects, we are also pursuing opportunities in FLNGs and fixed platforms in the Middle East and Africa regions and to a smaller extent – in Europe and Asia-Pacific.

For Offshore Wind, Europe remains the largest and most developed market driven by its energy security needs. TenneT continues to be an important customer for us, as we pursue opportunities in both Netherlands and Germany. With the award of BalWin5, it demonstrates TenneT's confidence in our ability to deliver, and we are ready to scale up and take on more HVDC projects when the opportunity arises. Meanwhile, we will also continue to pursue opportunities from other European TSOs; as well as HVAC deals in Asia.

We've also identified S\$2 billion in conversion opportunities, such as those with Karpowership that I've mentioned earlier.

All in all, we are well-positioned and confident in our ability to capture a healthy share of these pipeline opportunities that will fuel our ability to deliver consistent performance.

I shall now hand over to Stephen to bring you through the financial review.

Financial Review

Stephen Lu: Thanks Chris. Next, I will dive deeper into our financial performance for FY2025 and highlight the progress we have made to shape a stronger, leaner, and more competitive Seatrium. We delivered a set of solid numbers for FY2025 – the 24% rise in revenue was driven by steadfast execution of a healthy, well-diversified order book, which provides strong visibility and resilience amid the evolving market conditions.

Our gross margin, which I think is a reflection of the true operational performance, has more than doubled to 7.4% in FY2025 from 3.1% last year. We've continued to make significant progress in streamlining

G&A (General and Administrative) expenses, and lowering finance costs. As a result, net profit has also doubled to S\$324 million in FY2025, up from S\$157 million in FY2024.

We also saw operating cash flow grow by about 4.5x to S\$440 million from S\$97 million – excluding one-off payments relating to legacy issues – and on the same basis, FCF (Free Cash Flow) doubled to S\$443 million. After taking into account these one-off payments, we still generated almost 46% more cash from operations year-on-year of S\$142 million from S\$97 million a year ago.

We have also taken decisive steps to streamline our asset base by divesting non-core assets. This disciplined approach sharpens our focus, enhances operational and cost efficiencies.

Diving straight into the key revenue growth drivers – the 24% growth year-on-year was mainly driven by strong progress registered by both the Oil & Gas and Offshore Wind segments.

Revenue from Oil & Gas solutions grew 24% to S\$8.1 billion, underpinned by steady execution and progressive revenue recognition of the six newbuild Petrobras FPSOs, notably P-84 and P-85, which commenced work in the second half of 2024.

Offshore Wind solutions also increased its revenue to S\$2.1 billion, driven by our three TenneT 2GW HVDC platform projects.

The Repairs and Upgrades business registered lower volume and revenue due mainly to trade-related uncertainties and weakness in the LNGC (Liquefied Natural Gas Carriers) market. We are however continuing to focus the business towards higher-value projects such as FSRU conversions and the integration of Powerships that Chris mentioned earlier. In the meantime, our 23 long-standing strategic partnerships with large global customers continue to provide a steady baseload revenue of a more recurring nature.

In the Others segment, increased contributions from specialised shipbuilding, chartering, as well as rig kit sales and MRO (Maintenance, Repair and Overhaul) projects delivered through Seatrium Offshore Technology, or “SOT” led to a 55% jump in revenue. While this business is small today, SOT capitalises on our unparalleled track record and rigs expertise to monetise proven design IPs. It delivers a healthy margin and we see growth potential ahead.

Next, let’s take a look at gross margin. Year-on-year, gross profit increased to S\$848 million in FY2025 from S\$291 million, and gross margin increased sharply by 430 bps (basis points) to 7.4%, driven by an improved mix of higher-margin projects, higher asset utilisation, improved productivity, as well as cost discipline. This was partially offset by provisions for the US projects, where the final project was delivered subsequent to year-end, and a little bit for NApAnt, which Chris mentioned earlier.

Other operating income was lower in FY2025, mainly due to a one-off provision relating to the Admiralty Yard restoration before its return to authorities in 2028, net FX (foreign exchange) movement, lower scrap sales, and a non-recurring settlement gain that was recognised in 2024.

G&A expenses as a percentage of revenue declined by 50 basis points to 3.0%, compared to 3.5% in FY2024, as we benefitted from the continued cost optimisation activities.

Net finance costs also dropped by 18%, driven by debt repayments and lower financing costs, offset by decreased interest and dividend income from equity investments such as the Golar Hilli, which we divested in 2024.

Overall, net profit more than doubled to S\$324 million in FY2025 from S\$157 million in FY2024, underscoring the significant uplift in our core performance – powered by revenue growth, stronger margins, sustained cost optimisation, and disciplined execution.

As mentioned, we also reported much stronger cash flows in FY2025, which is a reflection of the discipline that goes into ensuring that all our projects are on progressive milestone payment terms, and robust project cash flow management throughout each project.

Consequently, operating cash flow increased to S\$142 million in FY2025 from S\$97 million. Excluding the effect of one-off legacy payments, operating cash flow rose 4.5x to S\$440 million, reflecting the level of cash generation that we expect moving forward.

Investing cash flow was largely neutral, with S\$122 million of project- and safety-related CAPEX (Capital Expenditure) such as that for the Batam Yard to prepare for 2GW HVDC projects, balanced by asset

divestment proceeds. We will continue to be measured in our capital expenditure, which is mostly focused on investments that will enable growth.

All in all, we generated S\$443 million in Free Cash Flow, excluding one-off legacy payments – this is more than double that of FY2024, and we are confident in the execution and cash flow of our post-merger contracts.

Moving on to capital structure – we continue to adopt a prudent and disciplined approach to enhance resilience and afford us the financial agility to position for growth.

Our gross debt decreased 5% year-on-year to S\$2.5 billion as at end-December 2025 – and through active refinancing, our cost of debt has declined from 4.9% at end-December 2024 to 3.4% at end-December 2025, driven both by lower base rates and tighter margins. We continue to broaden our funding sources and leverage our improved credit profile to secure favourable refinancing outcomes.

Our liquidity position remains strong, with S\$3.1 billion in cash and undrawn committed facilities, giving us ample headroom to support operations, pursue growth opportunities, and other capital allocation requirements.

In summary, our balance sheet remains robust, with a low net leverage ratio of 0.8x and a net gearing of 0.1x as at 31st December 2025.

With the FY2025 performance covered, I'd like to touch on efforts that we have been taking to transform our cost and margin profiles that will have lasting impact into the future.

If we take a step back in FY2023, when both companies first came together, Seatrium had focused on integration and harmonisation so that the new company can start on a clean slate. In FY2024, our first full financial year since merger, we quantified the benefits and scale of coming together, providing market guidance on two targets: \$300 million in synergies and cost savings and \$200 million in procurement savings.

These targets reflect the efforts that started from the moment the two companies came together. We looked at our cost items line by line, removing what we didn't need and leveraging our combined scale for economic benefits. These changes have fundamentally reduced our cost levels and will continue to have lasting impact moving forward.

We are today in year three – and we are pleased to share that we have exceeded those targets and the proof is in the numbers. Gross margins have turned around from -2.9% in FY2023 to 7.4% in FY2025, alongside an improved mix of higher-margin Series Build projects. G&A expenses as a percentage of revenue has also declined from 5% in FY2023 to 3% in FY2025, and as mentioned earlier the cost of debt has also significantly declined from 5.7% to 3.4%.

And we are not done yet – initiatives implemented late last year have not seen its benefits fully baked into our financial numbers yet. We also continue to drive greater cost discipline and internal efficiencies by embedding digitalisation, AI and Machine Learning meaningfully into the way we work across our global business. We believe this will greatly improve visibility, control, risk management and operational efficiencies that will reflect in our margins and financial performance in time to come.

As I've alluded to earlier, gross margin is an indication of our operational performance. We are starting to see the fruits of our labour in FY2025, and our reported gross margin of 7.4% is a vast improvement from where we started – but it is not a reflection of what Seatrium is capable of. We are just getting started.

As we continue to streamline operations and tighten overheads, we see accelerated pathways for further expansion through our ongoing divestments of non-core assets. This is an important lever to really reshape our cost structure to unlock efficiencies that will strengthen our long-term resilience and competitiveness.

Since 2023, we've started divesting assets on our books that are not really required for our own global operations. These assets are broadly categorised into yards, and other assets such as vessels and floating cranes. We've accelerated the pace of these divestments in FY2025 including the AmFELS and Karimun yards, GNL (Guanabara Navegação Ltda) PSV vessels (Platform Supply Vessels), a fleet of tugboats, floating docks, and the Crescent Yard that is expected to complete very soon.

The sale of the AmFELS yard and GNL vessels have already been completed; and the rest are expected to complete by first half of 2026. These transactions will deliver more than S\$50 million in annualised

cost savings. These assets, that would have otherwise laid idle on our books, are also expected to unlock more than S\$230 million in gross gains and over S\$330 million in cash proceeds, of which S\$110 million was received in FY2025.

We plan to do more, having identified more than S\$200 million in additional non-core assets to divest by 2028, alongside the scheduled return of Admiralty Yard. Together with the transactions already announced, we expect to cumulatively generate cost savings of over S\$100 million by FY2028.

As our business needs evolve, we will continue to review and evaluate opportunities to drive greater efficiencies. These structural improvements will enable us to reduce overheads and drive operating efficiencies, which will in turn bring us closer to our target margins – enhancing our business' resilience and offering stronger fundamentals from which we will deliver sustainable long-term returns.

With that, let me now pass the time back to Chris.

Value Creation

Chris Ong: Thanks Stephen. To reiterate – Seatrium is at the inflexion point today, and we are now ready to commit to creating tangible, lasting value for our customers, shareholders, and other stakeholders.

This year, we are proposing to double the dividend to 3 cents per share, in line with the doubling of our net profit in FY2025. We also plan to continue our share buyback under our existing S\$100 million programme, reflecting our confidence in the business and in the momentum ahead.

You can clearly see the fruits of our labour – Total Shareholder Returns have turned positive at 5.2%, and ROE (Return on Equity) has nearly doubled to 4.9% in FY2025. These are early signs of the value we are unlocking as our strategy takes hold, and we believe that there is further room for growth.

Most importantly, we are balancing reinvestment for growth with consistent capital returns. This is how we will drive long-term, durable value creation for our shareholders.

Let me close by bringing this all together.

Our strategy has always been clear and consistent – from driving organic growth, to executing strongly and transforming our cost structure for margin expansion, ongoing financial discipline and allocating capital prudently to enable sustainable long-term returns. Our Value Creation Framework captures of all this, aligning everything we do – from the way we deliver projects for our customers, to how we manage costs, to how we plan to deploy capital for sustainable returns.

On capital allocation, our priorities are disciplined and focused:

- Investing for growth in areas where we have clear competitive advantage;
- Optimising our balance sheet, ensuring the right debt structure to support long-term value creation;
- Returning capital through dividends and share buyback as we grow; and
- Exploring strategic M&As that strengthens our long-term position and business resilience.

This framework keeps us focused. With clear progression towards our FY2028 steady-state financial targets, we are on the right trajectory to building a stronger Seatrium designed to outperform for the longer term.

Thank you.

Q&A

Amelia Lee: Thank you, Chris. We'll now open the floor to questions. For those of you in the room with us, please raise your hand to ask a question.

Zhiwei please.

Zhiwei Foo (Macquarie): Thank you for the presentation and congrats on a wonderful set of results. Two questions from me. The first one is regarding your order book. I think you've roughly about S\$17 billion of order book and you have a revenue run rate of about S\$11 billion this year. So how do we think about your revenue run rate and your order replacement rate? Because from the looks of it, it'll run down by next year if you don't have a similar amount of order intake.

The second question is more on your margins. Now your gross margin is I think you reported 7.4%. And then if you were to just look at second half and net out the provision for onerous contracts, you get to about 9%. Then assuming you execute on all your cost savings, that's another S\$100 million. And then if I'm generous, that adds another 1% of gross margin which takes you to 10%. So assuming that your cost saving programmes work through, you have no recurrence or provisions, does that mean that we can start to anchor our thinking of 10% gross margins going forward? Thank you.

Chris Ong: I think I'll take the order book question. I think you asked the same question the last half I remember. And I think that the key thing is about getting close to the customers and home running the opportunities that are out there. This is an order book business. And the key thing is about how do we take a look at getting a balance of quality projects and getting it in. The S\$11 billion I will say that it will roughly be around there moving forward. This shows that our capacity management has been very sharp because I believe that about two years ago the question from all of you was that "Are you sure you can consistently produce S\$10 billion?" So that's out of the question. But it will basically hover around there. We think that the capacity would allow us to do that. And if you look at the burn rate, it's not linear. The S\$17 billion doesn't burn down just like that. So technically it's also a mix of building up to the order book. And as mentioned last year, even as a very challenging year, with almost half a year or more than that quiet because of obvious reason, we still managed to home run quite a bit towards the end of the year.

So technically there are good pipelines in the market. And again I always say I can't control the FID (Final Investment Decision) timing. But we are quite confident that based on the diverse product lines that we have now and the franchises that we've seen, we will continue to be the go-to person for some of these more complex projects. So it is a zero-sum game. You have mentioned that we are confident that we are able to maintain that resilience, when the projects.. I guess the real answer is when the projects come into the order book.

Stephen Lu: Zhiwei, on the second question, let me take this – I think if you look at FY2025, your calculation is correct. But I think the bigger picture is this – there are a few factors that move in our favour. One is, you would have seen, the legacy projects – the proportion of that is coming down. The contracts that we secured post-merger with risk adjusted mid-teen returns are becoming more important. Two, the cost and productivity measures I think we talked about – with the divestment of the yards and all that will take out costs directly from the overheads. I think the other factor that you have to consider is – as projects move along, I think we mentioned this before, when you hit critical milestones, the contingencies which are costs that we have set aside for certain risks that we anticipated, if they don't materialise then that will also be released. So I think the margins will continue to improve from where we have achieved today. I think we've guided towards a project margin of mid-teens. But as you know there are some overheads in production side which are related to basically underutilised capacity. So the number will move towards 15%, but it won't hit 15%. So I think that's what we're looking at right now.

Chris Ong: And just to come back to the point on the order book at S\$17 billion. We have taken a look back in history – it is still one of the highest for the last 10 to 12 years, both combined. But what is different today is – I think you all will appreciate that it's not based on one product and it is based on milestone payments; that basically it is a high-quality order book right now for us to execute.

The other point is that we have also been sharing that getting onto the franchise when we signed the very first or the second FPSO or HVDC. There were also a lot of doubts and questions whether are we capable to build on that? I think today that should be put to rest. What I hope everybody sees – that the ability to actually deliver a very complex product straight to a Brazil field and start operating in two months, that actually builds on the reputation and our ability to get customers on the table in a very short time.

Zhiwei Foo (Macquarie): I have two follow-up questions. You mentioned the contingencies – I understand that they are significant. Could you share some colour about how big it may be so that we can appreciate what that actual underlying margin is? The second question is what would your underlying gross margin be if were to just look at your projects and take out all your other inefficiencies, right now.

Stephen Lu: Contingencies are commercially sensitive. There are risks, so each contingency item is tagged to an amount. So when the risk goes away, it will be released.

Zhiwei Foo (Macquarie): Okay, thank you.

Amelia Lee: Thanks Zhiwei. Next question from Mayank please.

Mayank Maheshwari (Morgan Stanley): Chris, a more subjective question here. There has been a lot of commentary by your largest customer around how they are tightening their screws at their end. In terms of conversations you had and considering you were showing the order book having a large part still sitting in LatAm (Latin America), how do you think about the path going forward and what are the kind of conversations you're having with them around their objectives and how you're aligning to it? That was the first question. And the second one to the CFO. Congratulations on reducing the interest cost quite a bit. But if you think about it, your interest cost and the finance cost still has reasonable gaps. I think there are lease liabilities and a few other the things in there which are still quite chunky. Can you just give us a bit of outlook on how you're kind of tightening your screws there? Thank you.

Chris Ong: I will take the part on customer conversations. I think tightening of screws, whether it is a challenging environment, my customers always tell them that their screws are very tight with us. The key thing is about how then do we sit across the table and determine the word value, because it's a balance for them also. There's no lack of competitors and especially after we have proven that our formula works and we are able to deliver a functioning FPSO directly to the field and start-up. And that's a very powerful signal.

If you talk about LatAm, obviously you're talking about mainly Brazil. Of course they have various different formulas right now. One is the Build, Operate and Transfer (BOT), and it is now mixed with eventual EPC (Engineering Procurement and Construction) projects coming online. The key thing is it has different risks; it has different approaches. But the fundamental is the ability to execute, because all these projects take many years to execute. And you can see that from their ambition – they have printed out their five years of ambition – to be very honest, one of the biggest questions that they have to ask themselves is, “Can I expect the FPSO to arrive?” Because right now, especially so when you talk about the challenges of the market, which is very unpredictable, and oil price, it can fluctuate and the volatility is quite high. But they have their investment case all set up. So I think that, you will come online – but the key question is that: “When will their cash flow be realised?” And that is really around the assets that's going to flow there.

So I think we have proven ourselves that we are able to execute right on time and able to deliver, compared to our competitors, something that operates directly with them. The key right now is of course strategy around who we partner up for BOT; the strategy around how can we also make sure that it's seamless. And then for EPC of course it's all about cost and price. So I think that part itself, I'm happy that we are not starting from ground zero. I think that we have now a very clear database and the organisation is very clear on how to execute these types of projects. So that is the type of conversations. And even out of LatAm, it's the same conversations with majors like Exxon or Guyana. Even new prospects in Africa – it is basically down to certainty; the ability to provide solutions. Because for mega projects, you will have excitement of technology, hiccups and all this. How do you then help them to overcome that and still be able to maintain the predictability at the end of the day – that I think is a huge value.

Stephen Lu: Mayank, on the second question, I think if you look at our finance costs, the largest component is still interest costs to banks and etc. I think the key focus for us here is actually around de-leveraging. I think we've done a substantial amount of refinancing with the support of our banking partners. But we have to de-lever. I think you would have seen the operating cash flow significantly improve. So then we had to think about where we allocate capital. Do we use that for growth? Of course we're returning capital to shareholders, but it's also important to de-lever over time because I think the leverage on the gross level is still relatively high.

Amelia Lee: Thank you. Next question from Pei Hwa.

Ho Pei Hwa (DBS): This is Pei Hwa from DBS. Congrats on the strong results. Just two questions from me. One is for Stephen – it is on the provision for your onerous contracts, which amounted to S\$96.5 million. Could you give us a bit more colour on the breakdown of all these, especially for legacy contracts, which were so close to completion that we didn't expect to have this much. Second is on the project pipeline, especially from Petrobras and TenneT. Maybe you could give us a bit more colour and, based on your conversation with the customer, is TenneT on track.. will they still as per plan continue to award some contracts this year? And also in general how should we think about your order pipeline and the conversion from the S\$32 billion pipeline this year.

Stephen Lu: Chris, maybe I'll take the first question first. I think the provisions are about S\$96 million. That relates principally to three projects – the two US projects which we have since delivered. So you can think of that risk as it has gone away. I think the reason for additional provisions is because the project took a little bit longer than we wanted and so there are additional costs associated with that. On the third project, which I mentioned in my speech earlier, was around NApAnt, which was a legacy specialised shipbuilding project that we're delivering in Brazil. And so the project has delayed and so there are some provisions relating to that. But it's a relatively small project. I think the initial contract value was about S\$200 million and so we're working very closely with the customer to sort of manage that risk going forward.

Ho Pei Hwa (DBS): When is this project going to be delivered?

Stephen Lu: 2027. So initially it was supposed to be end 2026. Now it looks like 2027.

Chris Ong: I guess for Petrobras, TenneT, and you mentioned about conversion pipeline. I wouldn't repeat what I said for Petrobras. I think they are very clear on their development plan and what's going to come online. For TenneT, your question was around whether they are still on track and the short answer is that, as far as we know, yes. Because as promised they have gone through the same allocation and competition end of last year. We're quite happy that we are able to land BalWin 5. That's the first Germany unit that we are getting. So that also sets up our potential and production line for both the Netherlands projects and the Germany projects. This year, if my memory serves me correct – and please check and don't quote me – there will be projects coming online for tender in Germany and also followed by Netherlands. When they will FID that and when they will start engaging us, that depends on when they are ready. But those projects are real, through our conversation.

Now on conversion pipeline, as mentioned, the team has worked very hard to deliver value to the customer. We have proven that when we say that we would deliver this way and when; we have proven to the customer that as One Seatrium, we are able to do that. Customers are also seeing that they are able to assess the different capabilities of different facilities and different teams within the Group, so in a very short time, within three years, we have come together and deliver very differentiating value in terms of being able to provide solutions to the customer. And that's not all talk and we have delivered that to them.

The key thing around conversion of course is also because of this ability to prove that we are able to do this. There are many people that are trying to come online as competition. So that segment actually is, as mentioned in my speech, there are certain segments that we have a very commanding track record. Again, there's no difference from the newbuild – because it's complex; because it requires capability; it requires safety practices within and quality, the ability to deliver quality products. We think that this is an exciting area every year.

As mentioned, Powerships. If you take a look at this segment, why we highlight that. If we believe that the world is starved of power; and also digital, AI, the growth of it – I think floating assets is something that is very sound. The concept is sound. We just have to make sure that our customers are able to take a look at the financial ability, the economics around that. There's also floating data centres. There're many things in the market that may be too premature for us to say, but all these S\$2 billion of conversion prospects, I think it ties into the whole energy type of products. And why conversion is because the speed to market is very important. So again, the ability to execute, the ability to engineer on the go and deliver them safely and with quality is our hallmark – and customers know why they come to Seatrium and why we are able to build on that world-beating track record in the conversion space.

Amelia Lee: Thanks Chris. Pei Hwa, I hope that answers your question. Next we'll take a question from online – Luis from Citi.

Luis Hilado (Citi): Hi, good afternoon and thanks for hosting the call and congrats on the good set of results. Most of everything's been asked. I just have two housekeeping questions please. Just to clarify on the S\$50 million annualised cost savings, since most of it will conclude in first half, so it's essentially S\$25 million savings at least in the second half – is that way to look at it? And the second question is – I know it's difficult to discuss arbitration cases in terms of timing, but do you have a feel for, amongst those, which ones can resolve sooner, not when, but which will resolve sooner? And are your legal fees material at all on an annual basis? Thank you.

Stephen Lu: Luis, you had two questions, right? So okay, on the first question on, sorry, what was it again?

Chris Ong: S\$50 million.

Stephen Lu: Yes, S\$50 million. A part of that divestment was completed towards the end of 25. So a portion of that will be fully baked in from 1 January (2026). The AmFELS, you would have seen we completed end of January, and so that will be another component. So I think if you are looking at it over the full-year period, it's probably – if we can complete everything this month – it will be closer to the S\$50 million than the S\$25 million.

Luis Hilado (Citi): Okay.

Chris Ong: Arbitration – it depends. But if you want to ask for which one would probably be settled first, it is all basically time based, right? P-52 will probably be the first one that will be settled and we hope that we will have a conclusion this year. You asked whether the legal fees are material. It depends on material against what. But it's never, of course that's not always the first avenue that we'll go for. But I just want to impress upon, that actually arbitration is a professional way of basically settling differences. And usually in this industry we are able to differentiate what we need to settle, while we professionally advance both our interests on ongoing projects. So yes, P-52 would probably be the first one that we are targeting.

Luis Hilado (Citi): Thank you. It's very clear.

Amelia Lee: Thanks Luis. Next question, also online, from Amanda.

Chris Ong: Hi, Amanda.

Amanda Battersby (Upstream): Hi, good morning. Yes, Amanda Battersby from Upstream. Thank you very much for the frank results statements and sharing, as always, Chris and Stephen. A couple of questions if I may, please. You mentioned that the potential for BOT FPSO contracts, specifically in Latin America, and one would think with Petrobras. Are you actively bidding for any BOT work for floaters? And if so, would you be looking for a partner on a project-by-project basis or perhaps a more formal arrangement to allow you to tender to go forward, please. And the other two shorter questions, if I may. Do you foresee any more sort of legacy arbitration contracts lurking in the woodwork after, you know, sometimes more than a decade? And thirdly, please, any more plans to right-size the headcount as some of your projects come to completion? Thank you very much.

Chris Ong: Well, I'll take those questions. Thanks Amanda. We are missing you here. Well, for BOT contracts, we will definitely need to have a partner and a bidding strategy. Whether it will be project-by-project basis or whether there is a long-term type of tie-up – we have both strategies in place. And it depends on time and space also. We have to look at – I guess, the fundamental is that we are in for the bid and our focus is to win. So it's likewise for our partners. Our operating partner will also have the same driver. So it will depend – because timing of the tender and potential on both sides on the tender really

decides how we choose our partners. Whether we will partner somebody for long term and across all projects, it depends whether the interests align at the point where we are signing up. So, I can't have a clear answer, but we are in to bid for the BOT projects and definitely with an operating partner.

On arbitration legacy, I think what I can promise you is transparency. As of now, as mentioned, we do not see that there are any that are lurking. But like what we mentioned, when there are any disagreements that we need to settle, it's always professionally been elevated to settle at arbitration, if we cannot come to terms. So it's very hard for us to actually forecast. But all I can say is, as of now, we don't see any.

Now about right-sizing – I would actually approach the right-sizing question as less of a manpower issue and, I think, more on the operational excellence angle. I think we have always mentioned about what is our strategy going forward – and I remember three years ago when we talked about the integration topic and we talked about how we optimise and during the first year we did not even remove any headcount. And I think that all of that has basically actually worked out. Our first stance is always to make sure that we take care of our people. When projects are completed or when we get more efficient and our processes get more efficient, retraining has always been the first one. So we are not approaching from a headcount, a hire-and-fire approach. But of course, when we look at our yards and our future footprint, which we have always been very transparent in sharing – that is strategy, right, that's strategic. And it's about trimming down the non-core; building on the core; and of course having an eye of capability-building, depending on what products that we are looking at. As we have mentioned, we further invested in the Batam yard to make sure that we have lines ready for building and offloading 30,000 tonnes of topsides, which is mainly your HVDC today. We expect to eagerly contest to build a stronger pipeline behind each of them. So, there are a lot of ways that we are looking at right-sizing.

The other thing is that one of the actions that we are taking of course, it is in the national news that Admiralty yard is going to be redeveloped. And we knew that even way before Seatrium was formed, so we are taking that proactive step to actually re-channel resources. And that is the strength of the One Seatrium Delivery Model. We actually re-channel resources not only to Tuas Boulevard, but also a lot of our high-pots (high potentials) and young managers are now in Batam helping to build up the capabilities over there; so there are many dimensions to that. But I guess the main driver of this question is I guess about cost efficiency. And I think that has been the topline strategy that we have always said: we are very sensitive to cost, but we are also very sensitive to capabilities – retaining capabilities, retraining capabilities and getting ahead of the curve to be able to service our customers. I think that will differentiate us very strongly. Thank you.

Amanda Battersby (Upstream): Thank you very much.

Amelia Lee: Thanks Amanda. Next question. Siew Khee, please.

Lim Siew Khee (CGS International): Hi, can I just follow-up on the onerous contracts? So, given that the US projects have been delivered, can we expect a significant drop in the overall provision for onerous contracts?

Stephen Lu: Yes.

Lim Siew Khee (CGS International): So it will be lower than 2024 because 2023 was high?

Stephen Lu: As I explained earlier, I think there were three projects. So the remaining risk is around NApAnt. But as far as we can see today, there is no need for additional provisions.

Lim Siew Khee (CGS International): So within your order book there's nothing that is lurking that you think could delay. So therefore that would actually help to pave the way for better margins as you execute.

Stephen Lu: Yes, so as I explained earlier, I think the key risk was always around the pre-merger contracts. I think that portion has come down significantly.

Lim Siew Khee (CGS International): Thanks. And wanted to just check. You mentioned that you hope to actually settle the arbitration. Is there a need for any provisions if it's concluded this year?

Chris Ong: No.

Lim Siew Khee (CGS International): Is there any need for provisions for any other litigation that you might actually be in negotiation?

Chris Ong: No. Usually when we talk about provisions it is about legal opinion on the chances. So as of now, whatever that we reported there's no need for further provision.

Lim Siew Khee (CGS International): And then just on your order pipeline target, why did you raise from S\$30 million to S\$32 million so specifically? What's that S\$2 billion?

Chris Ong: Well, order pipeline depends on what projects come into the market. We didn't raise it. It's customers wanting in the market to basically look at development. These are real projects that are out there.

Lim Siew Khee (CGS International): Is there anything significantly different or new from, compared to when you first told us, S\$30 billion now rising to S\$32 billion. So where is the optimism coming from?

Stephen Lu: Maybe I'll take that.

Chris Ong: Hang on, it's not optimism. Again, I said that it is the projects that are out there and real targets that we are going after. So when you talk about – are there any differences? Of course, there is no secret that there are a lot more production asset contracts that are foreseeable in the market, and that is basically public. The other point that we are trying to make is, of course there are also conversion projects, as we mentioned, that are out there in the market. So, as we get knowledge, and those are the projects that we are going after, we actually actively put it in the pipeline and say that, okay these are all the go-get to convert into order book

Stephen Lu: If I may add, the number there is – we have an internal pipeline that we track; that our commercial teams update very regularly. And so we just summed up that total and then gave that to the market. So these are all actual projects that we are chasing. So I think if you talk about the change, I think between the S\$30 billion and the S\$32 billion, there were some projects that we won – BalWin5 and then the bp project (Tiber) – and then those were replaced by other projects that customers have now inquired with us on “we want you to submit a bid” or that we're in bilateral negotiations with them. So it is actual projects that we're chasing and not managed up as you were trying to say earlier.

Lim Siew Khee (CGS International): Okay, just last two questions. Just on housekeeping-wise, so the S\$50 million cost savings you mentioned, where can we actually see it more significantly? Is it in G&A or cost of sales?

Stephen Lu: It is in a different areas. Some of it will be in cost of sales, some of it will be in G&A and some will be other operating income. So it's actually in different areas.

Lim Siew Khee (CGS International): Is there one that is maybe higher, perhaps in cost of sales?

Stephen Lu: Mostly in the cost of sales – because if it's relating to the yard, all of that goes into the COGS (Cost of Goods Sold) line.

Lim Siew Khee (CGS International): Thanks. And my last question is the divestment gain that you actually guided – S\$160 million, if it's completed in 2026, will this be recognised in 2026?

Stephen Lu: So S\$70 million was recognised in FY2025, S\$160 million in 2026.

Lim Siew Khee (CGS International): Thanks.

Amelia Lee: Thanks Siew Khee.

With that we've come to the end of the briefing. Unfortunately, we've run out of time. For the two questions that we've received online, we will reach out to you directly on email. For further questions, if you require any further clarifications, please feel free to contact us at our investor relations email address.

Thank you very much for joining us this morning, and we wish you a very pleasant day ahead. Thank you. Bye.

– End –