

GENERAL ANNOUNCEMENT::MINUTES OF THE 59TH ANNUAL GENERAL MEETING OF SEMBCORP MARINE LTD

Issuer & Securities

Issuer/ Manager

SEMBCORP MARINE LTD

Securities

SEMBCORP MARINE LTD - SG1H97877952 - S51

Stapled Security

No

Announcement Details

Announcement Title

General Announcement

Date & Time of Broadcast

12-May-2022 12:19:55

Status

New

Announcement Sub Title

Minutes of the 59th Annual General Meeting of Sembcorp Marine Ltd

Announcement Reference

SG220512OTHR8X5G

Submitted By (Co./ Ind. Name)

Tan Yah Sze

Designation

Joint Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please refer to the attached minutes of the 59th Annual General Meeting of Sembcorp Marine Ltd held by way of electronic means on 20 April 2022.

Attachments

[SCM AGM Minutes 20 April 2022.pdf](#)

Total size =4782K MB

SEMBCORP MARINE LTD
(Incorporated in Singapore)
(Company Registration No. 196300098Z)
(the “Company” or “SCM”)

MINUTES OF THE 59TH ANNUAL GENERAL MEETING OF THE COMPANY HELD BY WAY OF ELECTRONIC MEANS ON WEDNESDAY, 20 APRIL 2022 AT 11.00 AM

PRESENT

Shareholders (who attended via live webcast or audio conference) : Please refer to the attendance records maintained by the Company.

Board of Directors

Tan Sri Mohd Hassan Marican : Chairman of the Board of Directors (the “Board”) (“Chairman of the meeting”)
Mr Yap Chee Keong : Deputy Board Chairman (attended via live webcast)
Mr Wong Weng Sun (“WWS”) : Director and President & Chief Executive Officer (“CEO”)
Mr Eric Ang Teik Lim : Director (attended via live webcast)
Mr Bob Tan Beng Hai : Director (attended via live webcast)
Mrs Gina Lee-Wan : Director (attended via live webcast)
Mr William Tan Seng Koon : Director (attended via live webcast)
Mr Patrick Daniel : Director (attended via live webcast)
Mr Tan Wah Yeow : Director (attended via live webcast)
Mr Koh Chiap Khiong : Director (attended via live webcast)

In Attendance / By Invitation

Mr Goh Khor Boon William : Group Finance Director
Ms Tan Yah Sze (“TYS”) : Joint Company Secretary
Ms Kem Huey Lee Sharon : Joint Company Secretary (attended via live webcast)
Ms Ang Fung Fung : Audit Partner, KPMG LLP (attended via live webcast)
Other Advisers / Management / Employees (attended via live webcast) : Please refer to the attendance records maintained by the Company.

1 INTRODUCTION

1.1 TYS welcomed all who had joined the 59th Annual General Meeting of the Company (the “AGM”) by webcast and audio means. She introduced the directors and also informed the shareholders that representatives from the Company’s auditors and legal advisers had also joined the AGM via webcast.

2 QUESTIONS SUBMITTED BY SHAREHOLDERS

2.1 The Company had posted its responses to all substantial and relevant questions submitted by shareholders in advance of the AGM as of the 6 April 2022 deadline (attached hereto as “Appendix 1”) on the Company’s website and SGXNet on 7 April

2022. The Company had also published its responses to subsequent clarifications sought, and substantial and relevant questions received after the 6 April 2022 deadline (attached hereto as “Appendix 2”) on the Company’s website and SGXNet on 19 April 2022, one day prior to the AGM.

3 PRESENTATION BY PRESIDENT AND CEO

- 3.1 WWS gave an overview of the Company’s businesses and business outlook. A copy of his presentation (attached hereto as “Appendix 3”) was posted on SGXNet on the same day after the AGM.

4 CHAIRMAN’S GREETING

- 4.1 The Chairman welcomed shareholders who attended the virtual AGM by webcast and audio means.

5 QUORUM

- 5.1 The Chairman noted that there was a quorum and proceeded to call the AGM to order.

6 NOTICE OF MEETING

- 6.1 The Chairman took the notice of the AGM dated 29 March 2022, which was sent together with the letter to shareholders dated 29 March 2022 (the “LTS”) to shareholders by electronic means via publication on the Company’s website and SGXNet, as read.

7 PROXY AND POLLING

- 7.1 The Chairman informed that shareholders were not able to attend the AGM in person. Shareholders had appointed him, the Chairman of the meeting, as their proxy to vote on their behalf. He would vote and abstain from voting according to their specific instructions on each resolution.
- 7.2 The Chairman also informed that the Company had appointed T S Tay Public Accounting Corporation as the scrutineer for the vote taking.

8 RESOLUTION 1 – ADOPTION OF DIRECTORS’ STATEMENT AND AUDITED FINANCIAL STATEMENTS

- 8.1 The Chairman proposed:

“That the directors’ statement and the audited financial statements for the year ended 31 December 2021 and the auditors’ report thereon be and are hereby received and adopted.”

- 8.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the poll results attached hereto as “Appendix 4” (the “Poll Results”).

9 RESOLUTION 2 - RE-ELECTION OF MR WONG WENG SUN AS DIRECTOR

- 9.1 The Chairman proposed:

“That Mr Wong Weng Sun, a director who is submitting himself for re-appointment pursuant to Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited, be and is hereby re-elected as a director of the Company.”

- 9.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

10 RESOLUTION 3 – RE-ELECTION OF MRS GINA LEE-WAN AS DIRECTOR

- 10.1 The Chairman proposed:

“That Mrs Gina Lee-Wan, a director retiring pursuant to Article 94 of the Company’s Constitution, be and is hereby re-elected as a director of the Company.”

- 10.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

11 RESOLUTION 4 – RE-ELECTION OF MR PATRICK DANIEL AS DIRECTOR

- 11.1 The Chairman proposed:

“That Mr Patrick Daniel, a director retiring pursuant to Article 94 of the Company’s Constitution, be and is hereby re-elected as a director of the Company.”

- 11.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

12 RESOLUTION 5 – RE-ELECTION OF MR TAN WAH YEOW AS DIRECTOR

- 12.1 The Chairman proposed:

“That Mr Tan Wah Yeow, a director retiring pursuant to Article 94 of the Company’s Constitution, be and is hereby re-elected as a director of the Company.”

- 12.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

13 RESOLUTION 6 – RE-ELECTION OF MR YAP CHEE KEONG AS DIRECTOR

- 13.1 The Chairman proposed:

“That Mr Yap Chee Keong, a director who ceases to hold office pursuant to Article 100 of the Company’s Constitution, be and is hereby re-elected as a director of the Company.”

- 13.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

14 APPRECIATION TO MR ERIC ANG TEIK LIM

14.1 The Chairman informed that Mr Eric Ang Teik Lim who had joined the Board since April 2013 had given notice that he would be stepping down as a director of the Company with effect from the conclusion of the AGM. He would also 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. On behalf of the Board and Management, the Chairman thanked Mr Ang for his deep insights and invaluable contributions during his tenure as a director of the Company.

15 RESOLUTION 7 – APPROVAL OF DIRECTORS’ FEES

15.1 The Chairman informed that the directors had recommended the payment of a sum of up to S\$2,250,000 as directors’ fees for the year ending 31 December 2022. All directors and their associates were required to abstain from voting in respect of their shares on this motion.

15.2 The Chairman proposed:

“That the directors’ fees of up to S\$2,250,000 for the year ending 31 December 2022 be and is hereby approved.”

15.3 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

16 RESOLUTION 8 – RE-APPOINTMENT OF AUDITORS

16.1 The Chairman informed that the Audit Committee had recommended the re-appointment of KPMG LLP as the auditors of the Company.

16.2 The Chairman proposed:

“That KPMG LLP be re-appointed as auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and that the directors of the Company be authorised to fix their remuneration.”

16.3 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

17 RESOLUTION 9 – RENEWAL OF SHARE ISSUE MANDATE

17.1 The Chairman proposed the following ordinary resolution:

“That authority be and is hereby given to the directors to:

- (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

- (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."

- 17.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

18 RESOLUTION 10 – RENEWAL OF SHARE PLAN MANDATE

- 18.1 The Chairman proposed the following ordinary resolution:

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

- (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.”

- 18.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

19 RESOLUTION 11 – RENEWAL OF INTERESTED PERSON TRANSACTIONS MANDATE

- 19.1 The Chairman proposed the following ordinary resolution:

“That:

- (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
- (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."

19.2 The Chairman informed that each director of the Company, Temasek Holdings (Private) Limited and their respective associates were required to abstain from voting in respect of their shares on this motion. He further informed that as the Chairman of the meeting, he would accept appointment as proxy for any other shareholder to vote in respect of this motion, where such shareholder had given specific instructions in a validly completed and submitted proxy form as to voting, or abstention from voting in respect of this motion.

19.3 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

20 RESOLUTION 12 – RENEWAL OF SHARE PURCHASE MANDATE

20.1 The Chairman proposed the following ordinary resolution:

"That:

- (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;

(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.”

20.2 The Chairman put the motion to vote. The proposed resolution was passed by a majority of votes as set out in the Poll Results.

21 CLOSURE OF MEETING

21.1 There being no other business, the meeting ended at 11.30 am. The Chairman thanked shareholders for their attendance at this virtual AGM.

CONFIRMED BY

Tan Sri Mohd Hassan Marican
Chairman of the meeting



Company Registration Number: 196300098Z

Sembcorp Marine Ltd 59th Annual General Meeting Responses to Substantial and Relevant Questions

Singapore, 7 April 2022 – Sembcorp Marine Ltd (“**Sembcorp Marine**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) would like to thank shareholders for submitting their questions in advance of the 59th Annual General Meeting (“**AGM**”) to be held by electronic means at 11.00 a.m. on 20 April 2022.

The Company has received questions from shareholders in relation to the AGM and is releasing with this announcement the responses to the said questions.

If there are subsequent clarifications sought, or substantial and relevant questions/follow-up questions received after 6 April 2022, the Company will address these as soon as practicable via further announcement(s) on the SGXNet prior to the AGM or during the AGM itself.

Questions

1. Can the Board update on the strategic plan for the Company going forward to add value to shareholders?

Sembcorp Marine will accelerate its transition to the renewables and clean energy segment to create long-term value and deliver stronger returns for its stakeholders.

The Group embarked on this strategic business transformation in 2015 to rebalance its product solutions portfolio by increasing its focus on renewables, cleaner energy and other green solutions. The Group's sustainable solutions segment constituted 30% of total revenue in 2021 and 43% of the Group's net order book as at end 2021. In the near term, with high oil & gas prices, the Group will continue to respond to increasing opportunities to offer offshore oil & gas production solutions. In the longer term, renewable energy and other cleaner and green solutions will increasingly account for a greater share of our order book and revenue.

To further this ambition, the Group is also in the final stages of negotiating a potential combination with Keppel Offshore and Marine (See Question 2 below).

The Group's immediate focus, however, is to complete its existing projects safely and on schedule.

Some key projects under execution by the Group include:

- Offshore hook-up and commissioning works for two substation topsides for Ørsted's 1.4GW Hornsea 2 Offshore Wind Farm;
- Design, construction, installation and commissioning of the offshore converter platform for RWE Renewables' Sofia Offshore Wind Farm;
- Construction and integration of hull, topsides and living quarters for the newbuild semi-submersible Floating Production Unit ("**FPU**") contracted by Shell for the Whale development project; and
- Design and construction of the remaining two battery-powered Ropax ferries for Norled

Going forward, a key priority is to replenish the Group's order book. The Group is committed to actively convert its pipeline of orders into firm contracts on a timely basis.

At end March 2022, Sembcorp Marine secured a contract from Maersk Supply Service for the construction of a Wind Turbine Installation Vessel ("**WTIV**") in full compliance to Jones Act. Based on the Group's in-house design in collaboration with the customer, the WTIV is capable of operating at a high level of efficiency and to handle the next generation of larger wind turbines.

The Group has commenced work on the Front-end Engineering Design contract awarded by Altera in September 2021 for the development of a Floating Production Storage and Offloading ("**FPSO**") facility for the Dorado FPSO project. The Group hopes to secure the engineering, procurement and construction contract for this project.

Negotiations are also in progress with the Brazilian Navy on the construction of the Antarctic Support Vessel “NapAnt”, which is part of the Brazil Navy Research Vessel Project, with a contract award expected in the first half of 2022.

The Group continues to actively pursue multiple projects and tender opportunities in the Renewable Energy and Gas Solutions segment, as well as the Process Solutions segment, including projects relating FPSO vessels, Floating Storage Offloading vessels and FPU's.

The Group's Repairs & Upgrades business has also secured advanced orders for the repair and upgrade of LNG carriers and cruise vessels. The Group is also working on active enquiries for offshore vessels upgrading projects.

In addition, the Group has continued to secure green technology retrofit solutions, including projects relating to ballast water management system and scrubber installations, and identified opportunities in sustainable repairs and upgrading, such as air lubrication systems and ammonia-based fuel solutions.

Underpinned by its operational and technology bench strengths, the Group is well-placed to support the global energy needs, premised on a low-carbon footprint with a balanced portfolio across offshore, marine and energy product solutions.

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

2. Will there be a merger with Keppel Offshore & Marine? Will this target of a definitive agreement by 30 April 30 or in the first half 2022 be achieved?

How will the proposed merger create value for shareholders? How soon could the Combined Entity be expected to be profitable? What is the expected timeline to synergise the resources of the Combined Entity for current and/or future projects?

In response to the profound changes in the global offshore & marine engineering and energy sectors in recent years, the objective of the Proposed Combination is to create a stronger Combined Entity, leveraging respective strengths to realise synergies and deliver sustainable value over the long term for shareholders.

The Proposed Combination aims to create a stronger player and accelerate the Combined Entity's transition to seize new and emerging opportunities in the renewable and clean energy sectors.

The Combined Entity would bring together the best talents, engineering skills, intellectual properties, and technical know-how from both companies. This will enable it to be better positioned to compete for larger contracts, whilst pursuing the synergies that can arise from the increased operational scale, broader geographical footprint and other enhanced capabilities.

Significant progress has been made on advancing the Proposed Combination, including mutual due diligence, the transaction structure, exchange ratio and other related matters.

Both parties are devoting considerable resources to progressing the Proposed Combination. However, more time and deliberation will be required to complete due diligence, reach mutual agreement on the transaction terms and finalise definitive legal documentation. Both parties are committed to continue with exclusive negotiations and are working towards a definitive agreement by 30 April 2022.

Further updates will be provided as soon as there are material developments.

For more information, please refer to the Company's announcement dated 31 March 2022.



Company Registration Number: 196300098Z

Sembcorp Marine Ltd 59th Annual General Meeting Responses to Additional Questions from Shareholders

Singapore, 19 April 2022 – Subsequent to the announcement dated 7 April 2022 where the Company had provided responses to questions received from shareholders in relation to the AGM, Sembcorp Marine Ltd (“**Sembcorp Marine**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) has received additional questions from shareholders.

The Company’s responses to the substantial and relevant questions, which relate to the resolutions tabled at the AGM, are set out in the Appendix according to the following themes:

- I. **Business Management & Outlook**
- II. **Financials**

Sembcorp Marine President & CEO Mr Wong Weng Sun will provide an overview on the Company’s businesses and business outlook during his presentation at the AGM.

Appendix

I. BUSINESS MANAGEMENT & OUTLOOK

- 1. In light of the current high oil price environment, how is the traditional fossil fuel business doing? Can you provide a market update?**

Good to see that Sembcorp Marine has been proactively diversified into renewable energy related business over the past few years, compared to the traditional oil and gas business. Could you share the expectation of the return/internal rate of return from offshore renewable projects versus those in oil & gas?

Sustainable solutions, comprising renewables and cleaner energy, account for a significant amount of your current order book at 43%. How do you intend to seek a balance between the high growth renewables and the traditional fossil fuels based businesses?

Outlook for the oil & gas industry is anticipated to improve due to stronger oil prices, severe under-investments in exploration and production in recent years, and the critical need to replenish production depletion.

The strengthening of oil prices has provided impetus for oil and gas companies to review plans for the resumption of deferred activities, final investment decisions and capital expenditures.

While oil & gas remain critical resources, the outlook for energy transition, including areas such as offshore wind and hydrogen, is robust. Global offshore wind expenditure is projected to grow at a compound annual growth rate of 11% this decade to reach US\$126 billion per year by 2030, according to independent energy research firm, Rystad Energy, in its 29 April 2021 report (see [link](#)).

Sembcorp Marine has the flexibility and expertise to respond to opportunities in both traditional oil & gas as well as the renewables and clean energy sectors. The Group aims to increase its revenue from sustainable solutions covering gas, renewables and cleaner energy which accounted for 30% of turnover in FY2021 to 40% by 2030. For more information, please refer to the Company's Sustainability Report 2021. We are actively developing emerging tender opportunities in renewables, cleaner energy and gas solutions, as well as pursuing multiple projects covering FPSOs, FSOs and FPU's, with tenders in progress.

- 2. Oil prices are now above US\$100/bbl. Will the company finally be able to turn the corner? At what price level does oil prices have to be at for the company to breakeven?**

What is the company's view on the outlook, prospects and direction of oil prices going forward in 2022 and 2023?

Sembcorp Marine is a provider of innovative and sustainable engineering solutions, products and services for the offshore, marine and energy industries, catering to both traditional oil & gas, as well as the renewables and clean energy sectors. The Group's profitability is driven mainly by the value of its projects, versus the cost of executing them.

We are not able to provide specific details on the rate of return/profitability of our projects due to commercial confidentiality.

The Group does not make speculative comments on oil prices.

3. The MOU for the combination with Keppel Offshore & Marine (Keppel O&M) was signed in 2021.

- a. Given the high oil price and the significant change in the macro environment now, has there been an assessment done by the management on whether it will be better for the Group to continue as a standalone entity and not be combined with Keppel O&M?**

While I understand that the combination will give rise to the synergies between both entities, Sembcorp Marine can be nimble and carve out a success on its own – given the higher volume of bids and enquiries of projects recently – and stand on its own without the combination.

- b. Has there been any change in the considerations when the Group signed the MOU and now?**
- c. If not, what has the Board deliberated on in deciding which one provides the greater value to the shareholders?**

It is envisaged that the Proposed Combination, if completed, would create a stronger player with combined synergies from increased operational scale and enhanced capabilities, to compete for larger contracts and capitalise on opportunities in the O&M, renewable and clean energy sectors.

Growing commitments by governments and companies around the world to achieve net zero will create strong demand for renewables and clean energy, including areas such as offshore wind, hydrogen and ammonia.

Sembcorp Marine has since 2015 embarked on a strategic business transformation with an increasing focus on renewables and other green solutions and built up substantial capabilities and a good track record.

This has been validated by wins in the renewable sector. Please refer to our 2021 Annual Report and Sustainability Report for more details of our projects. The most recent win is a contract for the construction of a wind turbine installation vessel (WTIV).

Meanwhile, the industry outlook for oil and gas is also improving on the back of stronger oil prices, thus providing impetus for oil and gas companies to review plans for the resumption of deferred activities, final investment decisions and capital expenditures.

By leveraging the respective strengths and track records of both Sembcorp Marine and Keppel O&M, the Combined Entity would be able to realise synergies, and deliver sustainable value over the long term for its shareholders. As advised in our recent announcement on 31 March 2022, the Group is working towards signing of a definitive agreement by end April 2022.

4. Would the proposed merger face significant regulatory hurdles and scrutiny from competition watchdogs?

Depending on the final structure of the Proposed Combination, the definitive agreement related to the Proposed Combination will be subject to various conditions, including relevant regulatory approvals.

- 5. The company has more than 31 billion shares in issue. Would the company be doing a share consolidation to reduce the number of shares?**

Thank you for the suggestion. This matter would be reviewed and considered at an opportune time.

- 6. The company has a special committee to "assist the Board in conducting internal investigations into allegations of improper payments in Brazil and deal with issues arising from the matter". Please provide updates on the findings of the committee. When was the last update? When did the special committee last meet? Is this special committee still in force? When will this special committee be dissolved? Are we liable to pay compensation, like in the case of Keppel, and if so, how much compensation do we have to fork out?**

The Group has posted several updates on the matter. For more information, please refer to the 2021 Annual Report and various announcements dated 30 March 2015, 21 February 2018, 3 July 2019, 8 July 2019, 3 February 2020, 21 February 2020 and 4 June 2020 on the Company's website.

We will make the necessary announcement when there are further material developments.

- 7. I note that several directors of the company did not subscribe fully to their entitlements in last year's Rights Issue. Do they take a dim view of the company's outlook and prospects?**

The Group's directors had subscribed to their Rights entitlements in full or in part, in accordance with the terms and conditions of the 2021 Rights Issue. The Company respects that the investment decisions taken by the directors as shareholders are personal and would depend on their financial commitments and personal holdings, which varied significantly. The Company is encouraged that all the directors of the Company have demonstrated their support by subscribing for the Rights Shares, in full or in part.

II. FINANCIALS

- 8. It is proposed that directors' fees would increase to S\$2.25 million from S\$1.8 million last year. Why are directors' fees being increased when the company made a loss of S\$1.17 billion last year and has been losing money in recent years? Shareholders have not been paid dividends for years, so please justify and account for the more than 20% increase in directors' fees being put forth at the coming AGM.**

In 2021, the non-executive directors continued to take a 10% reduction of their fees. There is also no increment in base directors' fees. In addition, only one attendance fee was paid if a director attended multiple meetings on the same day.

The Chairman and Deputy Chairman of the Board do not receive the basic retainer fee for directors, or any further fees or allowances for his services as chairman/deputy chairman or member of any Board committees. The President & CEO who is also an Executive Director does not receive any directors' fees.

The higher amount of directors' fees proposed for FY2022 is mainly due to the inclusion of an all-in fee for the Deputy Chairman of the Board who was appointed in December 2021.

- 9. I note the staff costs rose from \$353.8 million to \$429.6 million. Please justify and explain the increases in salaries and bonuses paid to staff when the company has lost more money this year.**

The increase in staff costs was mainly due to the hiring of skilled workers from alternative sources in 2021 to address the acute manpower shortage arising from COVID-19 restrictions and to accelerate the completion of projects, which were delayed by more than 12 months.

While the Group made good progress to expedite the recruitment of skilled labour, this has resulted in increased manpower and other related costs to complete the Group's ongoing projects. On average, recruitment from the alternative sources costs more than twice that from the sources the Group used to recruit from.

The labour shortage situation has stabilised during the fourth quarter to enable smoother execution of projects and the achievement of multiple project deliveries in FY2021 and 1Q2022. With the easing of COVID-19 border restrictions, the Group expects to be able to revert to non-traditional sources for its recruitment of skilled workers.

- 10. Please explain the 50% increase in audit fees, from \$656,000 to \$927,000. Why was there such a sizeable increase in audit fees?**

The increase in audit fees is attributed to a wider scope of audit and due diligence processes.

- 11. Do you not think that the company should be looking at how to reduce its cost structure, make it more lean and get rid of its excesses, in a bid to enable the company to return to profitability? Please explain and detail cost-control measures taken over the past year, if any, that were implemented to right-size and make the company more lean and sustainable going forward.**

The Group has implemented various initiatives for resource optimisation, improved project execution and procurement processes, and digitalisation, as part of measures to control costs, while enhancing operational synergy and cost-competitiveness.

Non-essential capex has been suspended, with the exception of maintenance capex to ensure yard safety and operability.



A very good morning to our Shareholders, Chairman Tan Sri Mohd Hassan Marican, Fellow Directors, ladies and gentlemen.

Thank you for joining Semcorp Marine 59th Annual General Meeting today.

Before we begin with the AGM proceedings, I will present an overview of our business and operations for the financial year 2021.

Group Revenue
S\$1.86 Billion

Net Loss
S\$1.17⁽¹⁾ Billion

Net Order Book
S\$1.3⁽²⁾ Billion

Existing orders intact

Notes:

*(1) Includes provisions and asset impairments of S\$839 million post-tax
(2) Comprises S\$1.1 billion of projects under execution and S\$0.2 billion
of ongoing Repairs & Upgrades projects*

In FY2021, the Group recorded a revenue of S\$1.86 billion, an increase of 23% from the previous year.

Execution challenges associated with the COVID-19 pandemic continued to impact the Group's operations and profitability. For the full year ended 31 December 2021, the Group registered a net loss of S\$1.17 billion.

The full year net loss took into account provisions totalling S\$839 million (post-tax basis), largely due to push-out of delivery for its ongoing projects, with significantly higher provisions for manpower and other costs to complete most of the projects. Net loss before provisions was S\$332 million, a reduction of 24% from the prior year.

While operational performance was severely disrupted during the year, we are pleased to share that there was no cancellation of any existing projects.

We closed the year with a net order book of S\$1.3 billion.

Successful completion of S\$1.5 billion Rights Issue in September 2021

- ❖ Enhanced liquidity to meet ongoing operational funding requirements and fulfil existing commitments
- ❖ Bolstered Balance Sheet supports ongoing strategic expansion into high growth renewables and clean energy segments
- ❖ Improved financial agility to seize opportunities and respond to evolving market dynamics

During the year, we successfully completed our S\$1.5 billion Rights Issue in September.

On behalf of our Board and Management, I would like to convey our sincere appreciation to all our shareholders for their support at the EGM as well as in the Rights Issue subscriptions and excess applications. Thank you.

The enhanced liquidity through the recapitalisation has enabled the Group to meet its ongoing operational funding requirements and fulfil its existing commitments.

A strengthened balance sheet also lends support to our ongoing strategic expansion into the high-growth renewables and clean energy segments. It also means greater financial agility for the Group to seize opportunities and to respond to evolving market dynamics, to bid competitively for high-value and large-scale projects.

SUCCESSFULLY DELIVERED IN FY2021 AND 1Q2022

The Group achieved multiple project completions with successful delivery notwithstanding pandemic-related resource constraints and shortages of skilled workers

- Newbuild Floating Production Unit (FPU) for the Vito Regional Production Facility for Shell Offshore Inc.
- Newbuild Floating Production Storage and Offloading vessel (FPSO) project for Equinor for the Johan Castberg field
- Six production topsides and four bridges for TotalEnergies EP Denmark for the Tyra Redevelopment Project
- 15 wind turbine jacket foundations for Jan De Nul's Formosa 2 Offshore Wind Farm
- Floating Storage Regasification Unit (FSRU) conversions of the Karmol LNGT Powership Africa and Karmol LNGT Powership Asia for KARMOL
- Floating Storage Unit (FSU) conversion of the GasLog Singapore for GasLog LNG
- 144 projects involving FPSO, FSO, FSRU, FSU, LNG plant and carrier, cruise ship, naval vessel and heavy-lift carrier requiring repair, upgrade, refit, maintenance, damage repair, decontamination, ballast water management system installation and scrubber retrofit



In the face of extreme operational challenges, we took active measures and worked in tighter cooperation with our customers. We also prioritised and put in tremendous efforts to safeguard the wellness, health and safety of our people, our customers and vendors, maintaining a fine balance of the needs of project performance and the safety of all stakeholders.

During the year, the Group successfully completed multiple key projects and successively delivered each to our customers.

The Group also completed major conversions for several offshore gas facilities and delivered on some 144 vessels requiring repair, upgrade and maintenance.

Projects Under Execution as at 31 December 2021

Renewables Solutions

- Jan De Nul – Formosa 2 Offshore Wind Farm
- Ørsted – Horns Rev 2 Offshore Wind Farm: Offshore Hook-up and Commissioning of Offshore Substation and Reactive Compensation Station Topsides
- RWE Renewables – Sofia Offshore Wind Farm: Offshore Converter Platform

Process Solutions

- Equinor – Johan Castberg: Newbuild Floating Production, Storage and Offloading Vessel (FPSO)
- NOC – Gallaf Batch 2: Wellhead Platforms
- Shell – Whale Project: Newbuild FPU
- Shapoorji: FPSO Conversion
- Tupi P-71: FPSO Modification, Integration and Topside Modules Fabrication

Gas Solutions

- Bechtel – Pluto Train 2 Project: Modules Assembly of LNG Gas Processing Trains
- MOL – LNG Bunker Vessel
- TotalEnergies – Tyra Redevelopment Project: Topsides and Bridges
- Technip Energies – Karish: Newbuild FPSO
- KARMOL – Karmol LNGT Powership Asia and Karmol LNGT Powership Europe: FSRU Conversion and Upgrading Projects

Ocean Living Solutions

- Norled – Full Battery-operating Roll-on/Roll-off Passenger Ferries (Three units)

Advanced Drilling Rig Solutions

- Transocean Deepwater Atlas Drillship
- Transocean Deepwater Titan Drillship

- ❖ Secured new contracts of about S\$1.0 billion in 2021 despite challenging industry conditions and market environment
- ❖ Current net order book of S\$1.3 billion, comprising S\$1.1 billion of projects under execution (with a total original contract sum of S\$6.1 billion) and S\$0.2 billion of ongoing repairs & upgrades projects
- ❖ Green energy solutions comprise ~43% of the Group's net order book
- ❖ As at end 2021, the Group has a total of 16 projects under execution, with 12 scheduled for completion in 2022.
- ❖ Excluding 1Q2022 deliveries, the Group is currently working on 12 key projects with completion and delivery scheduled from 2022 to 2025.

During the year, the Group secured new contracts worth slightly over S\$1.0 billion, including S\$0.3 billion of Repairs & Upgrades projects.

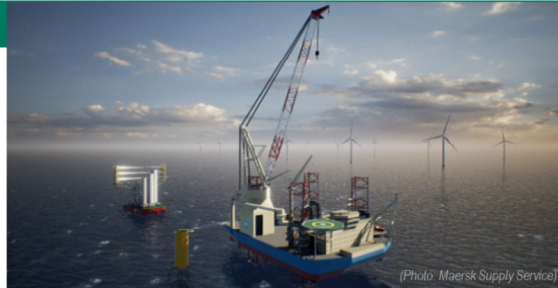
The Group's net order book currently stands at S\$1.3 billion, consisting of S\$1.1 billion of projects under execution (with a total original contract sum of S\$6.1 billion) and S\$0.2 billion of ongoing Repairs & Upgrades projects.

Approximately 43% of the Group's net order book are for renewables and other cleaner and green solutions sectors.

As at end 2021, the Group has a total of 16 projects under execution, with 12 scheduled for completion in 2022. Of the 12 projects, four were delivered in 1Q2022.

New Order in 2022

Secured contract to construct a **Wind Turbine Installation Vessel**, based on in-house design in collaboration with **Maersk Supply Service**, in March 2022



(Photo: Maersk Supply Service)

Key Projects Secured in 2021



Sofia Offshore Wind Farm Project: Design, construction, installation and commissioning of Offshore Converter Platform for **RWE Renewables**



Amendment contract for P-71 by Tupi B.V. to perform modification work and additional topside modules integration for deployment to Itapu Field



Pluto Train 2 Project: Modules assembly of LNG gas processing trains for **Bechtel Overseas Corporation**

6

In March this year, the Group announced a landmark win of a **WTIV** (Wind Turbine Installation Vessel) contract from Maersk Supply Service for deployment in US waters. Based on Sembcorp Marine's in-house design in collaboration with Maersk, the WTIV brings breakthrough design to the wind market in full compliance to Jones Act. The vessel is capable of operating at a high level of efficiency and to handle the next generation of larger wind turbines. A steel-cutting ceremony is planned for the fourth quarter of this year.

We are currently also working on these key projects secured in 2021:

- Design, construction, installation and commissioning of the offshore converter platform for RWE Renewables' **Sofia Offshore Wind Farm** in the UK North Sea;
- Modification, integration and topside modules work on **FPSO P-71** by Sembcorp Marine's Brazil yard, Estaleiro Jurong Aracruz, for Tupi B.V. for the Itapu Field, offshore Brazil; and
- Modules assembly of LNG gas processing trains for the **Bechtel Pluto Train 2 Project**.

Notable Projects In Progress



Development of world's first green ammonia-fuelled tanker, which has secured AiP from DNV, for Grieg Edge



Development of a conceptual design of a first-of-its-kind ABS-approved ammonia bunkering vessel with partners MOL and ITOCHU Corporation



Construction of a 12,000m³ dual-fuel LNG bunker vessel for MOL and charterer Pavilion Energy



Development of hydrogen as a marine fuel with Shell and Penguin to champion decarbonisation in the maritime industry



Advancing development of sustainable ocean data centres in collaboration with Big Data Exchange and National University of Singapore, Faculty of Engineering

The Group is also working on other notable green projects:

- The **world's first green ammonia-fuelled tanker** for Grieg Edge – We have received AiP (approval-in-principle) from DNV (Det Norske Veritas);
- A **first-of-its-kind ammonia bunkering vessel** together with MOL and ITOCHU Corporation – We have also secured AiP from ABS (American Bureau of Shipping);
- Construction of a **12,000m³ dual-fuel LNG bunker vessel** for MOL and charterer Pavilion Energy;
- The **development of hydrogen as a marine fuel** with Shell and Penguin to champion decarbonisation in the maritime industry; and
- The **development of sustainable ocean data centres** in collaboration with Big Data Exchange and the National University of Singapore.

Improving industry outlook on the back of rising oil prices provide impetus for resumption of deferred activities, FIDs and capital expenditures

Improved prospect and opportunities associated with the global transition towards cleaner energy and sustainable solutions.

- ❖ Commenced work on FEED contract by Altera for the Dorado FPSO project
- ❖ Negotiations in progress with the Brazilian Navy on the construction of Antarctic Support Vessel “NapAnt”, with contract award expected in the first half of 2022
- ❖ As at end February 2022, secured 10 projects for ballast water management system installations and scrubber retrofits, as well as advanced orders for the repair and upgrade of 13 LNG carriers and the refit of three cruise vessels.
- ❖ Actively attending to emerging tender opportunities in the Renewable Energy and Gas Solutions segment, and pursuing multiple FPSO, FSO and FPU projects
- ❖ The Group will continue to review relevant opportunities, with an increasing focus on cleaner energy and sustainable solutions, and grow its pipeline of orders and projects.

8

While the Group remains committed to completing the remaining projects for its customers, we are cognizant that new order wins are critical to support the Group’s future performance. Hence, the Group remains focused on clinching new contracts to replenish its order book.

We are actively developing emerging tender opportunities in the renewable energy and gas solutions segment, pursuing multiple projects covering FPSOs, FSOs and FPU with tenders in progress, as well as attending to active enquiries for major upgrading and retrofit projects.

We will also continue to review opportunities in cleaner energy and sustainable solutions to grow our pipeline of orders and projects in this segment.



Proposed Combination aims to create sustainable value over the long term

- ❖ Better positioned to capture opportunities arising from the energy transition
- ❖ Enhanced ability to support larger and more complex contracts
- ❖ Greater synergy from combined operational scale and enhanced capabilities

On 24 June 2021, the Group announced a non-binding Memorandum of Understanding entered into with Keppel Corporation Limited to explore the potential combination of Sembcorp Marine and Keppel Offshore & Marine (Keppel O&M).

At end March this year, we provided an update, advising that significant progress has been made on advancing the Proposed Combination, with a view to sign a definitive agreement in end April 2022.

I would like to reiterate the rationale for the Proposed Combination. The objective of the Proposed Combination is to create a stronger Combined Entity to deliver sustainable value over the long term for shareholders. The Combined Entity would bring together the best talents, engineering skills, intellectual properties, and technical know-how from both companies. This will enable it to be better positioned to compete for larger contracts, whilst pursuing the synergies that can arise from increased operational scale and enhanced capabilities.

Accelerating Transition and Positioned for Growth

- ❖ **Stronger, more resilient and better positioned to seize opportunities across the oil & gas, renewables and other green solutions segments**
- ❖ **Poised to continue to support the offshore, marine and energy industries and the ongoing global transition to a low-carbon economy**
- ❖ **Continue to focus on the safe, efficient and timely delivery of projects and actively convert orders pipeline into firm contracts on a timely basis in FY2022**

10

Having weathered the tumultuous pandemic years, Sembcorp Marine has emerged stronger, more resilient and better positioned to seize opportunities across the oil & gas, renewables and other green solutions segments.

As we continue to focus on the safe, efficient and timely delivery of projects, we will build on ongoing efforts to grow our order book and actively convert our orders pipeline into firm contracts during the year.

Sembcorp Marine – with our deep R&D capabilities, domain expertise, technological bench strength, world-class facilities and synergistic operations – remains well-placed to support the global energy needs premised on a low-carbon footprint and the ongoing global transition to a low-carbon economy. The Group will continue to accelerate its transition.

Thank you.



**sembcorp
marine**

Integrated Synergies, Global Possibilities.

This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, exchange rate movement, cost of capital and capital availability, competition from other companies and venues for sale and distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes. The forward-looking statements reflect the current views of Management on future trends and developments.



TS TAY Public Accounting Corporation

鄭展松會計有限公司

1 Sophia Road #05-14/16
Peace Centre Singapore 228149
Telephone: +65 6337 1295
Facsimile : +65 6339 8430
Email: enquiry@tstay.com.sg
Website: www.tstay.com.sg
Co. Regn. No. 201002810E

Sembcorp Marine Ltd
Company Registration No. 196300098Z

Annual General Meeting
Held on 20 April 2022

SCRUTINEERS' CERTIFICATE

To: The Chairman
Sembcorp Marine Ltd

Dear Sirs,

As Scrutineers appointed for the purpose of the poll taken at the Annual General Meeting of the Company, we certify that the results of the poll in respect of:-

SUMMARY RESULTS OF POLL

No	Ordinary resolutions	Total number of shares represented by votes for and against	FOR		AGAINST	
			Number of Shares	%	Number of Shares	%
1	To adopt the directors' statement and audited financial statements	18,657,780,778	18,652,091,009	99.97%	5,689,769	0.03%
2	To re-elect Mr Wong Weng Sun	18,640,900,764	18,622,059,183	99.90%	18,841,581	0.10%
3	To re-elect Mrs Gina Lee-Wan	18,663,534,678	18,452,411,619	98.87%	211,123,059	1.13%
4	To re-elect Mr Patrick Daniel	18,664,712,678	18,589,647,896	99.60%	75,064,782	0.40%
5	To re-elect Mr Tan Wah Yeow	18,666,326,478	18,647,484,897	99.90%	18,841,581	0.10%
6	To re-elect Mr Yap Chee Keong	18,666,326,478	18,651,394,630	99.92%	14,931,848	0.08%
7	To approve directors' fees for the year ending 31 December 2022	18,630,690,864	18,624,999,995	99.97%	5,690,869	0.03%
8	To re-appoint KPMG LLP as auditors and to authorise the directors to fix their remuneration	18,666,327,478	18,660,616,109	99.97%	5,711,369	0.03%
9	To approve the renewal of the Share Issue Mandate	18,666,327,478	18,556,805,713	99.41%	109,521,765	0.59%
10	To approve the renewal of the Share Plan Mandate	18,666,325,478	18,624,721,475	99.78%	41,604,003	0.22%
11	To approve the renewal of the Interested Person Transactions Mandate	1,499,666,906	1,493,975,037	99.62%	5,691,869	0.38%
12	To approve the renewal of the Share Purchase Mandate	18,664,194,766	18,658,504,897	99.97%	5,689,869	0.03%

Yours faithfully,

Signed

Scrutineer Firm: T S Tay Public Accounting Corporation