



# HSBC Global Investment Summit

8 - 10 April 2024



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# SEATRIUM TODAY



Led by a **New Board** and **Experienced Management**



A strong heritage:  
> **1,300** projects delivered



> **23,000**  
employees



Horizontally integrated across  
**15 yards globally**



**S\$16.2b<sup>1</sup>**  
Net orderbook under execution



**~39% of net orderbook**  
in renewables & green solutions



Included in **STI, MSCI indices**  
& **FTSE4Good Index**



Strong shareholder base including  
**35%** held by Temasek

# AGENDA



## **SEATRIUM STRATEGY**

Building a profitable and resilient business



## **FINANCIAL AND CAPITAL MANAGEMENT**

Enabling our transformation with a stronger balance sheet



## **FY 2023 FINANCIAL RESULTS**

# SEATRIUM STRATEGY

## 28 FEBRUARY 2023: A TRANSFORMATIVE COMBINATION

**Keppel** **Offshore  
& Marine**



**sembcorp  
marine**



**Seatrium**

*Immediate priority was to bring together two organisations with different people, cultures, systems and operating models to form a leading global offshore and marine player*

# IN OUR FIRST YEAR, WE HAVE ...

## INTEGRATED AS ONE SEATRIUM

- ✓ Built leadership team
- ✓ Launched new brand
- ✓ Integrated processes and systems

## STRENGTHENED OUR BALANCE SHEET

- ✓ De-risked balance sheet
- ✓ Improved liquidity
- ✓ Started to realise cost savings from merger

## DEFINED OUR FUTURE PATH

- ✓ Formulated new strategy
- ✓ Streamlined yard assets
- ✓ Effected global delivery model

# OUR VISION



TO BE A **LEADING GLOBAL PROVIDER**  
**OF SOLUTIONS** TO THE OFFSHORE,  
MARINE & ENERGY INDUSTRIES



TO BECOME A  
**PROFITABLE AND**  
**RESILIENT BUSINESS**



**ENERGY TRILEMMA PRESENTS  
S\$0.5 TRILLION<sup>1</sup> OPPORTUNITY  
FOR SEATRIUM IN THE NEXT 5 YEARS**



# OUR STRATEGY

Riding industry tailwinds and long-term energy megatrends to **build a more resilient and diversified portfolio**

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## Oil & Gas

*Reinforce our leadership in production assets*



## Offshore Wind

*Accelerate transition and position for floating wind*



## Repairs & Upgrades

*Grow baseload of high-value works*



## CCS & New Energies

*Invest selectively for future commercialisation*

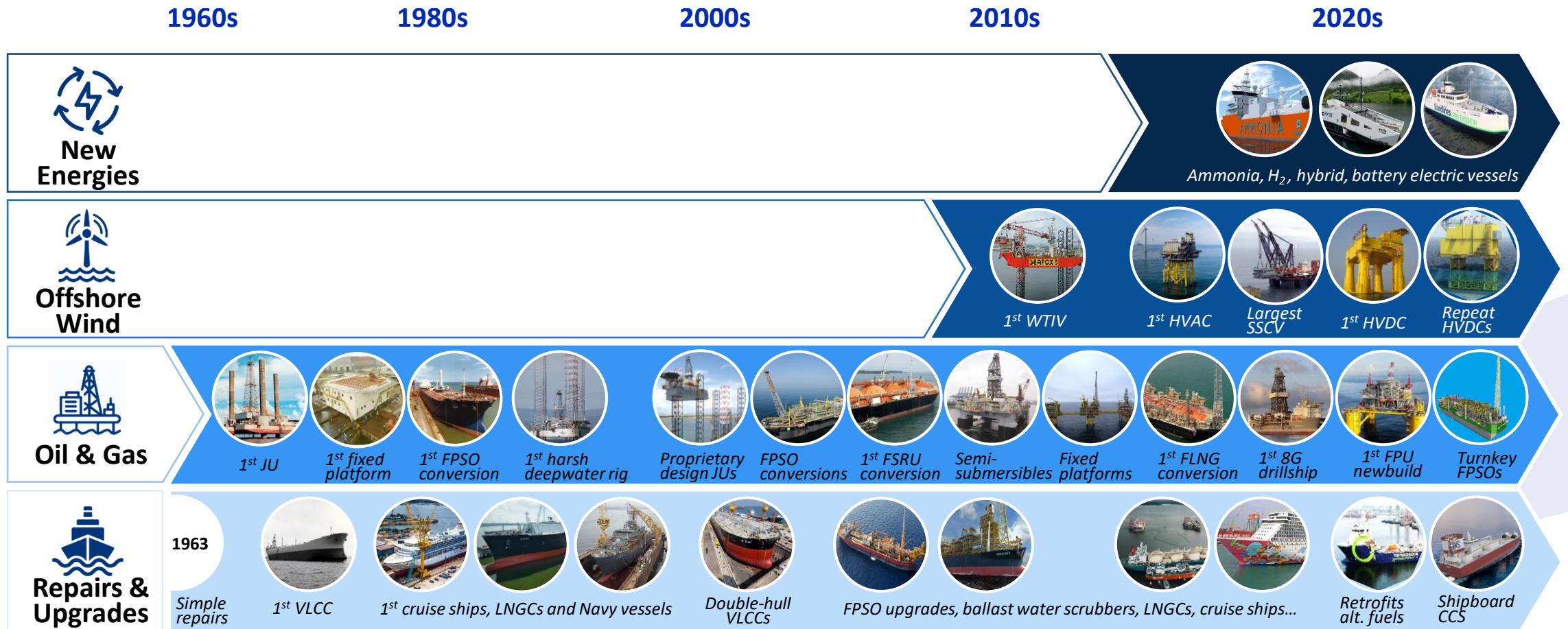
# OUR COMPETITIVE ADVANTAGES

- ✓ **Proven track record** with 1,300+ successful deliveries
- ✓ **One Seatrium delivery model** enabling global, end-to-end execution
- ✓ **Global technology centres** driving designs & technology developments
- ✓ **Diverse international talent pool** to support global operations
- ✓ **Strong relationships with new and repeat customers**



# PROVEN TRACK RECORD

Executed 1,300+ newbuild & conversion projects of increasing complexity while expanding our solutions portfolio



# ONE SEATRIUM DELIVERY MODEL

Only player capable of end-to-end global delivery with ability for capacity scale-up

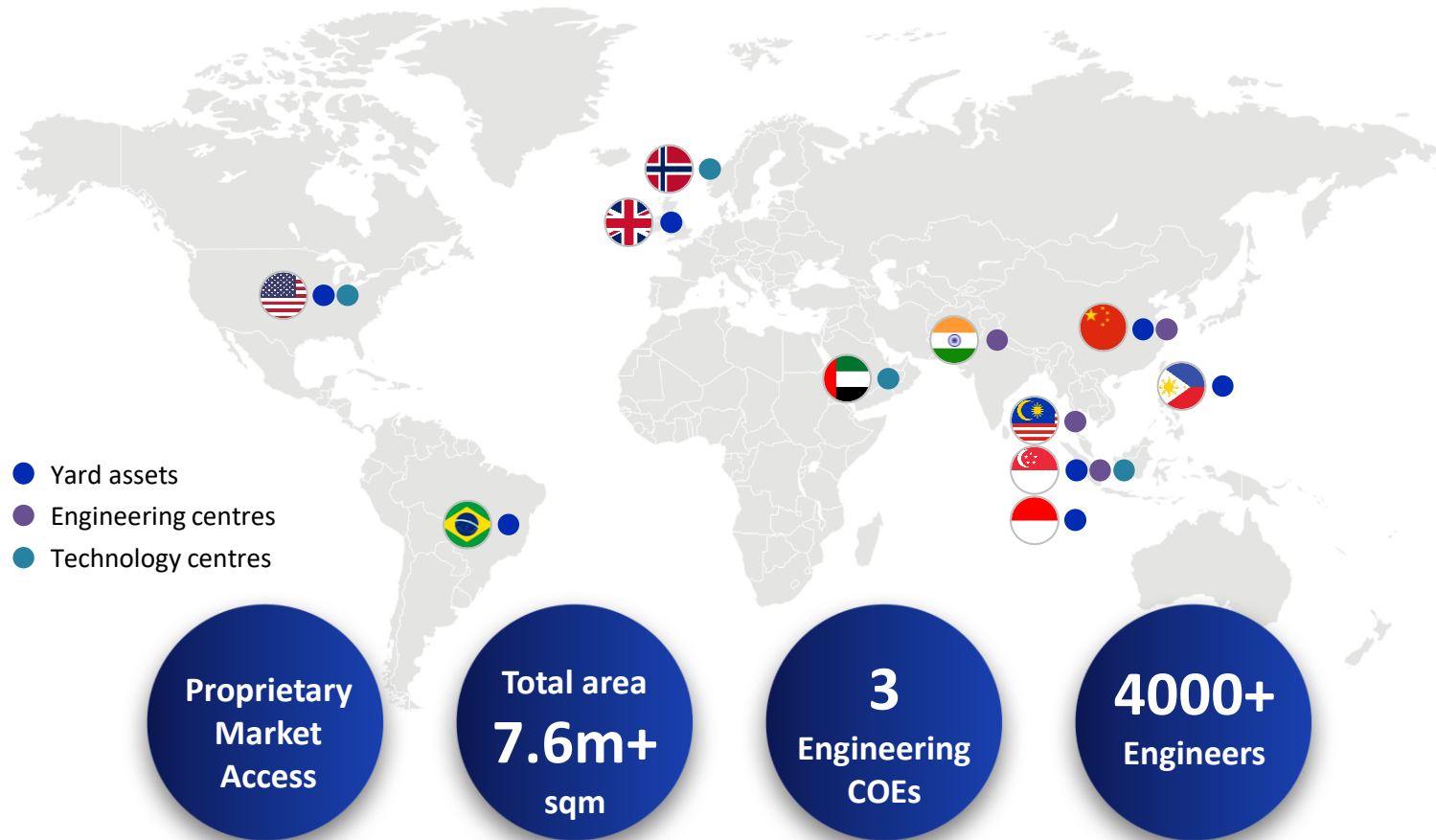


- Centralised & coordinated execution model
- Optimise asset base
- Enhance operational excellence
- Deliver synergies and cost savings
- Strategic partnerships and outsourcing

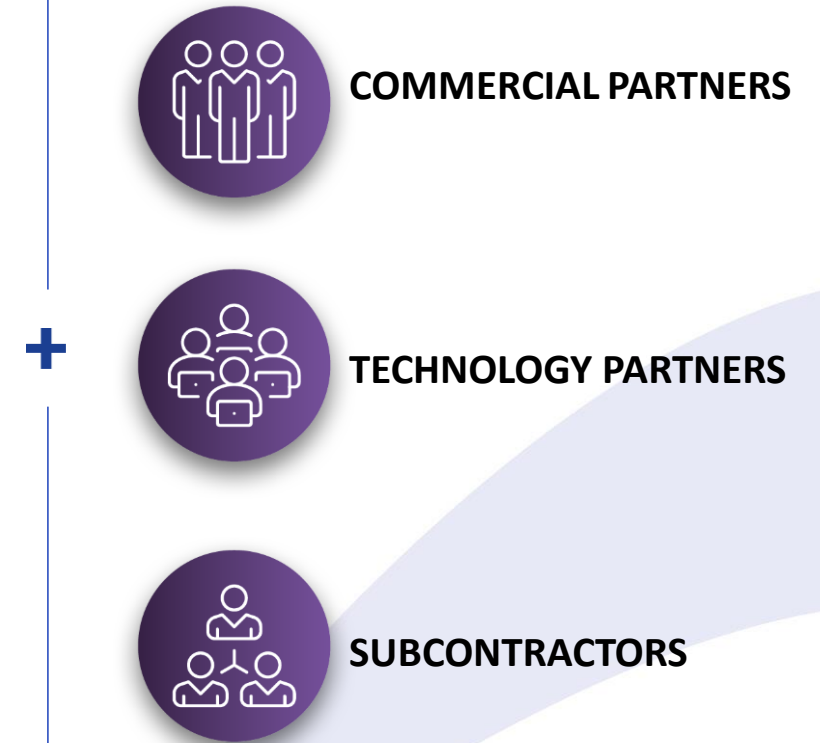
# ONE SEATRIUM DELIVERY MODEL

Coordinated global network to deliver increasingly complex products

## OUR GLOBAL FOOTPRINT



## PARTNERSHIPS & OUTSOURCING



# SHOWCASE 1: P-SERIES FPSO

We leverage our global network to build a series of large and complex FPSOs

## Local Content Requirement

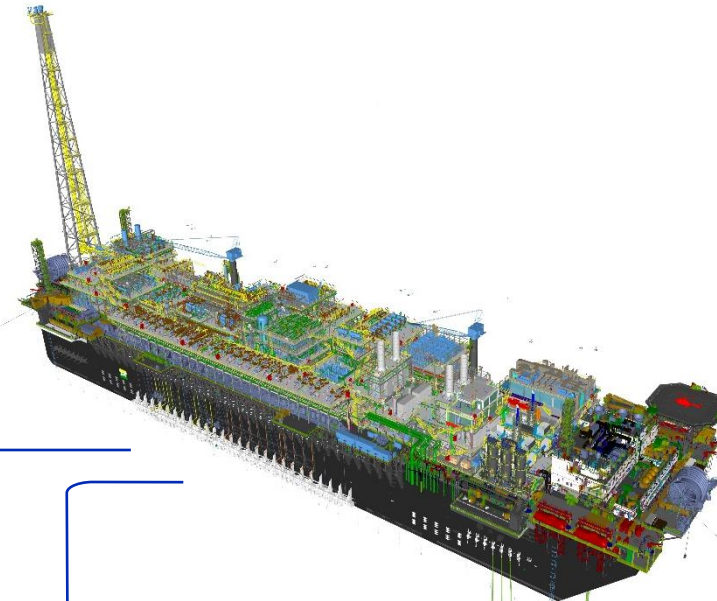


## Detailed Engineering

- COE for offshore energies
- In-house / outsourced

## Hull Fabrication

- Outsourced & managed by Seatrium



*Illustration of Petrobras FPSO*

### **Specifications:**

*Prod. Capacity: 180k bopd*

*Total tonnage: 140k MT*

*Topside modules: 52k MT*

*Equipped with green technologies*

## Fabrication & Integration

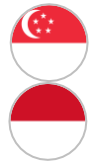


## Topside Module Fabrication



# SHOWCASE 2: TENNET 2GW HVDC

End-to-end delivery of complex HVDC, from EPC to offshore installation, commissioning & maintenance



## Topsides Construction

- Fabricated and assembled in Singapore & Batam



Illustration of TenneT 2GW HVDC substation

Total tonnage: c.42k MT

## Jacket Fabrication

- Outsourced with oversight by Seatrium

## High Voltage Equipment

- Led by OEM partner GE



## Project Management

- Shared between Seatrium & partner GE



## Engineering

- Led by Seatrium, scope shared with engineering partner

## Transport & Installation

- Coordinated by Seatrium, subcontracted to T&I operator



## Offshore Logistics & Maintenance

- Conducted by Seatrium ORS



# SHOWCASE 3: REPAIRS & UPGRADES



## Yard footprint

Strategically located along major shipping lanes



## Technology capabilities

Innovative decarbonisation solutions



## Global network

Exclusive marketing representatives in 15 countries



## Strategic partnerships

26 long-term partnerships & >85% regular customers

# OPERATIONAL EXCELLENCE: ENHANCING PRODUCTIVITY

## Smart Yard



## Smart Asset



## Tech-enabled Workforce



 Digital Twin

 Digital Control Tower

 5G Connectivity

 Shop-based Automation

 AI/ML-based Optimisation

 Realtime Performance

 5G Remote Inspection

 VR/AR Remote Collaboration

 AI-enabled Digital Workflow

## AR-assisted Remote Inspection

**Benefits :**  
*Up to 30% reduction of manhours required on site with AR-assisted functions*



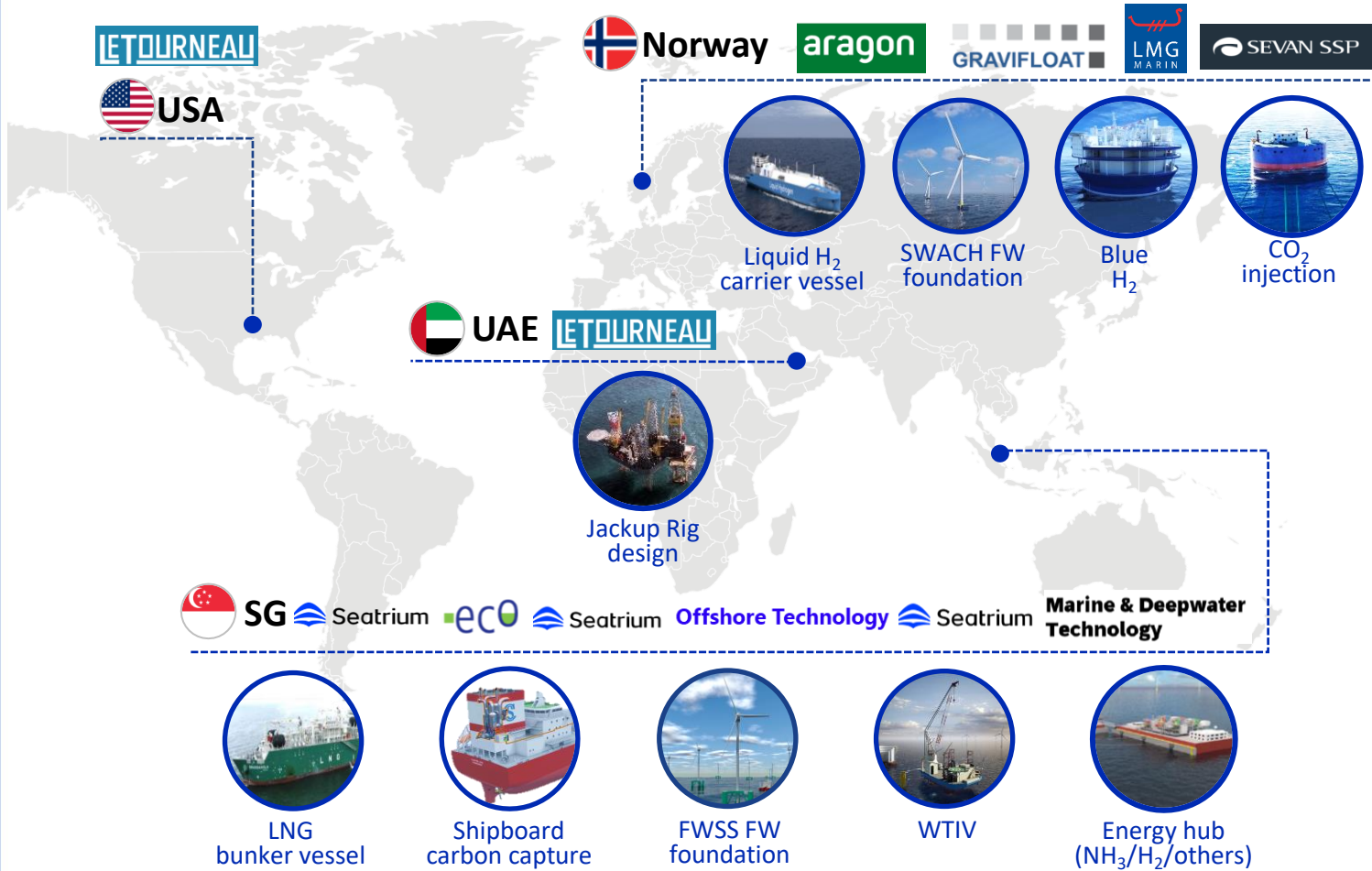
## Realtime Digital Twin Asset Monitoring

**Benefits :**  
*10-20% increase in field engineers' efficiency*

## Remote AR/VR Collaboration

**Benefits :**  
*Enabler for cross-border collaboration to increase site-to-site EPC coordination*

# EXPAND TECHNOLOGY AND IP CAPABILITIES, INVEST FOR THE FUTURE



- 700+** Patents
- 200** Built / proven products
- 200+** AiP / concepts

- 8** Technology companies
- ~200** Technologists



## Partnerships

*with research institutes and industry*

# FLOATING WIND FOUNDATION DEVELOPMENT



## Small Waterplane Area Cylindrical Hull (SWACH)

- ✓ Proprietary design based on proven technology
- ✓ Excellent motions and robust stability
- ✓ Shallow draft for quayside integration
- ✓ Suited for mass production
- ✓ Scalable for large turbine size



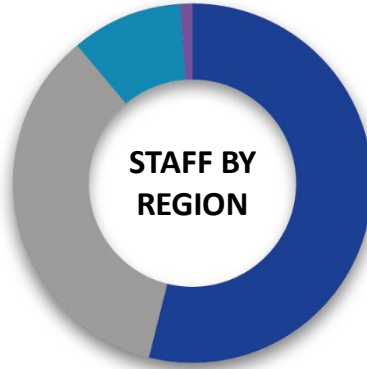
*Model tests conducted  
in TCOMS Basin*



Designed World 1<sup>st</sup> liquid H<sub>2</sub>-powered ferry

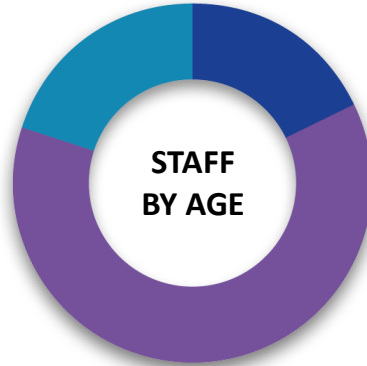
# DEVELOP DIVERSE INTERNATIONAL TALENT POOL

**29**  
nationalities



● SG	54%
● US/BR	35%
● Asia ex-SG	10%
● Others	1%

Executive and above  
**1 in 5**  
are women



● >50 YO	18%
● 30 - 50 YO	62%
● <30 YO	20%

- Propel **engineering, technology and operations** globally
- Advance our prowess in **global project management, digitalisation & new energies**



# STRONG RELATIONSHIPS WITH OUR CUSTOMERS

## Robust set of both new and repeat customers ...



- P56
- P78
- P80
- P82
- P83



- 3 x 2GW HVDC
- Dolwin Epsilon



- Sturgeon WTIV



- Vito FPU
- Whale FPU
- Sparta FPU
- Crux



- Raia
- Bacalhau
- Leopold Sedar Senghor
- MV34



- One Guyana
- Prosperity
- Liza Unity
- Liza Destiny



- Barossa
- BW Opportunity
- BW Adolo
- BW Catcher



equinor



... and many more



Note: Select customers shown; not exhaustive

## ... with strong Repairs & Upgrades client base



... and many more



WE CONDUCT OUR BUSINESS  
WITH THE **HIGHEST ESG STANDARDS**



# SUSTAINABILITY AMBITIONS



**OPERATING A RESPONSIBLE BUSINESS**



**ENGINEERING A SUSTAINABLE FUTURE**



**CARING FOR OUR PEOPLE AND COMMUNITIES**



**40%**  
EMISSIONS<sup>1</sup> REDUCTION  
by 2030<sup>2</sup>

**NET ZERO**  
by 2050

*Our yards in Brazil are powered by hydroelectricity*



# COMMITMENT TO HEALTH & SAFETY



Maintain

**Zero** fatality rate



Relentless focus to reduce

**LTIR<sup>1</sup>**



## WORKPLACE SAFETY & HEALTH

- WSH Performance Awards
- SHARP<sup>2</sup> Awards
- WSH Innovation Awards
- WSH Awards for Supervisors
- CARE<sup>3</sup> Award



# STRONG GOVERNANCE IS THE FOUNDATION OF OUR BUSINESS



## Governance

- Collective **commitment**
- Clarity on **no-gos**
- **Integrated Assurance Framework (IAF)** as enterprise risk management tool



## Compliance

- **Code of conduct** and compliance policies
- **Culture of speaking up**
- **ISO 37001 certification** for Anti-Bribery Management System



## Risk Management

- Defined **risk appetite**
- **Ownership** of risks
- **End-to-end resourcing & project risk management**
- **Project risk governance framework**

## BY 2028, WE TARGET TO ACHIEVE ...

**≥ S\$1.0b**

EBITDA

**≥ 8.0%**

Return on Equity

**c. 2.0-3.0x**

Net Debt/EBITDA

**... VERSUS FY23**



**>4x uplift**

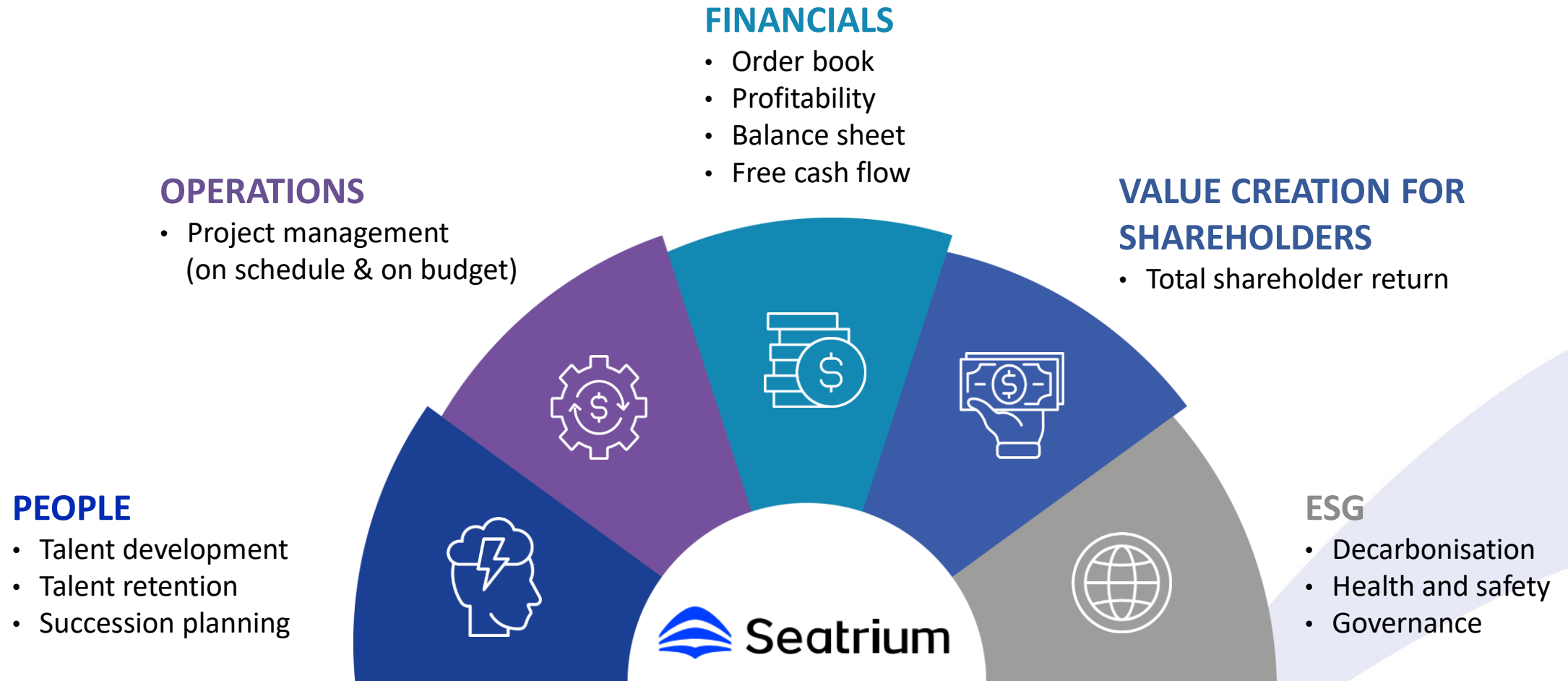


**Turnaround**



**Sustain**

# MANAGEMENT INCENTIVES ALIGNED WITH TARGETS



# KEY TAKEAWAYS



SINCE MERGER,  
WE HAVE COME  
TOGETHER AS  
**ONE SEATRUM** IN  
SHORT ORDER



WE HAVE DEFINED  
OUR **CORE VALUES**  
AND FOSTERED A  
**SHARED PURPOSE**  
FOR OUR PEOPLE



WE HAVE A CREDIBLE  
PATH TO BUILD A  
**PROFITABLE AND**  
**RESILIENT BUSINESS**



WE ARE COMMITTED  
TO BUILDING A  
**SUSTAINABLE**  
**BUSINESS**, WHILE  
ADHERING TO HIGHEST  
STANDARDS OF **SAFETY**  
**AND GOVERNANCE**



WE WILL CONTINUE TO  
TRANSFORM OUR  
BUSINESS AND DELIVER  
**TOTAL SHAREHOLDER**  
**RETURNS**

# FINANCIAL AND CAPITAL MANAGEMENT



# FINANCIAL ROADMAP TO 2028



## PATH TO PROFITABILITY

- Higher revenue and profits
- Synergies and cost optimisation



## FINANCIAL RESILIENCY

- Capital structure optimisation
- Sustainable and diversified financing



## CAPITAL ALLOCATION

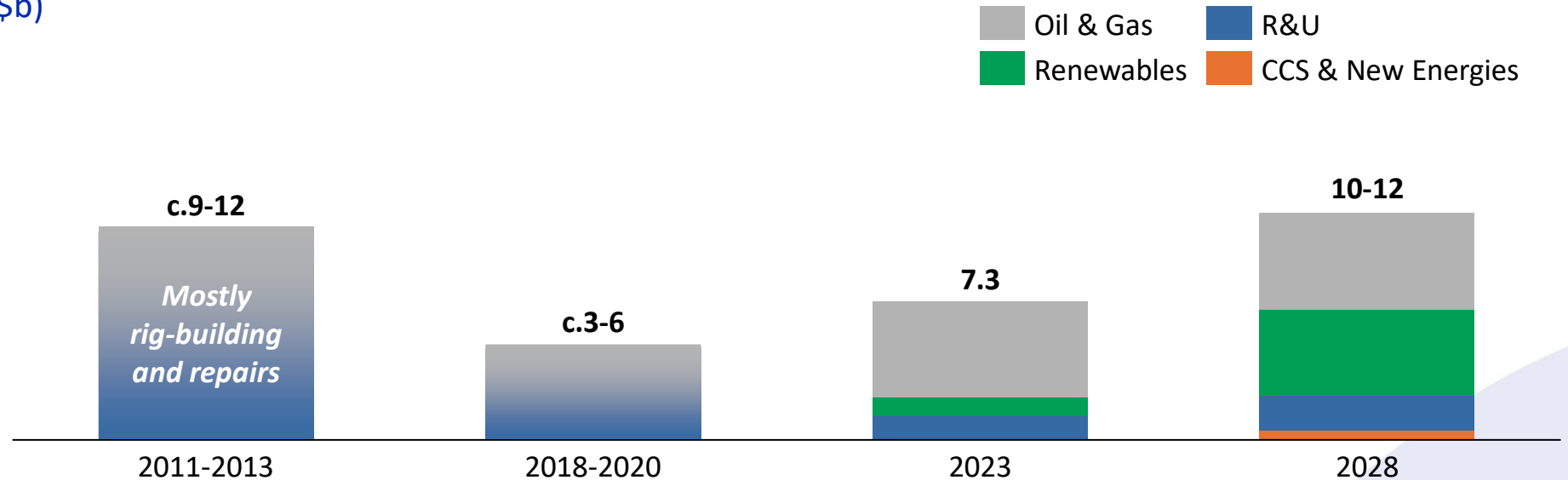
- Capability building and future-proofing
- Returns to shareholders



# BUILDING A MORE RESILIENT PORTFOLIO WITH STRONG REVENUE GROWTH



## REVENUE EVOLUTION (S\$b)



### Strong revenue growth:

- Sharpen focus on prioritised segments
- Support from sector tailwinds
- Competitive advantages in key markets

### Build a more resilient and diversified portfolio:

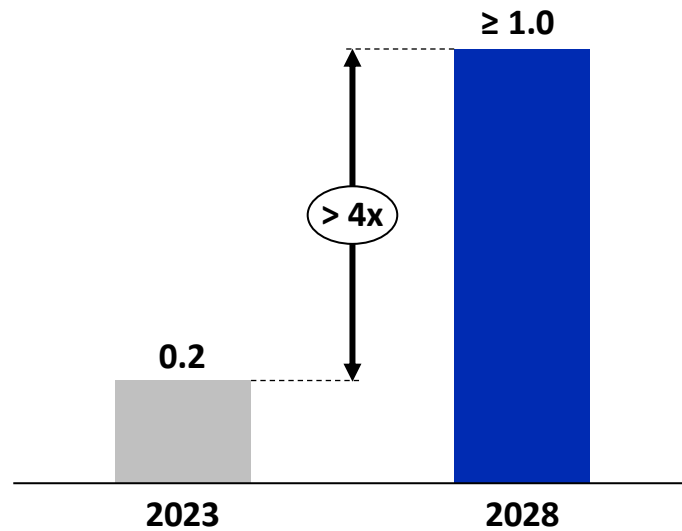
- More “green” products
- Increase share of Repairs & Upgrades baseload revenue
- Improve contract terms with shared risks and progressive milestone payments

# OUR PATH TO ACHIEVING $\geq$ S\$1.0b EBITDA AND $\geq$ 8% ROE



## IMPROVED PROFITABILITY...

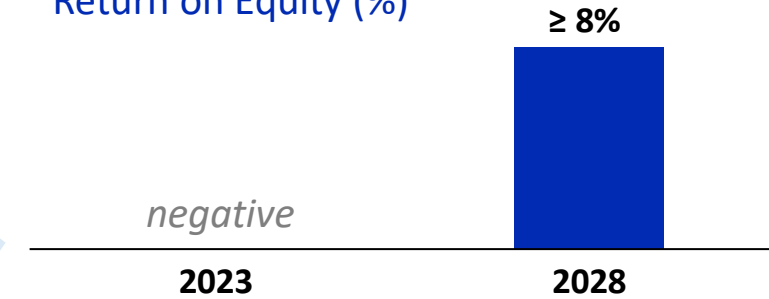
EBITDA (S\$b)



- Delivery of legacy projects
- Margin uplift
- Synergies & cost optimisation
- Asset base rationalisation

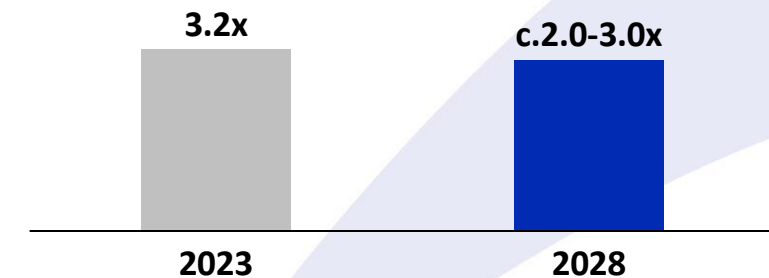
## ... ENABLES US TO DRIVE HIGHER RETURNS

Return on Equity (%)



## ... AND MAINTAIN A HEALTHY LEVERAGE

Net Debt/EBITDA (x)



# IDENTIFIED SYNERGIES & SAVINGS, ON TRACK TO REALISE MORE



 **S\$300m**

**Annualised synergies & cost savings**

 **S\$200m**

**Procurement savings**

- **Recurring synergies and cost savings:**

- Standardised pricing with customers
- Reduction in corporate overheads
- Asset rationalisation

- **More efficient centralised procurement leading to improved project margins**

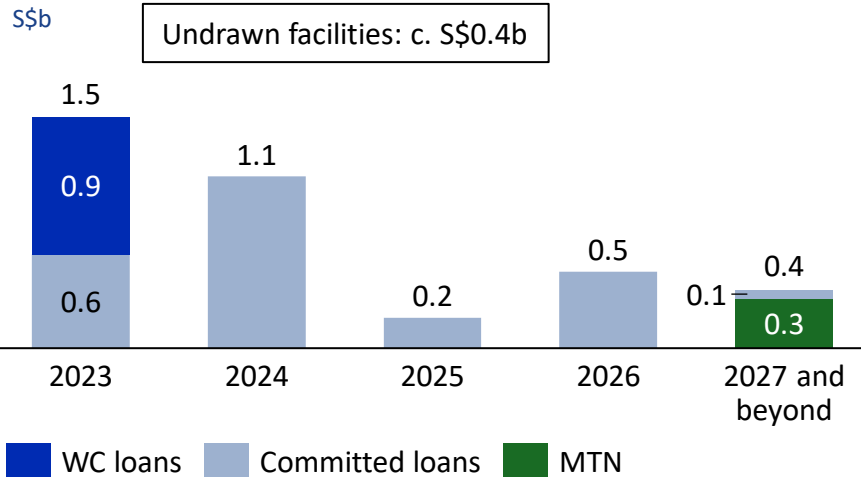
- Improved supply chain management
- Better procurement efficiency

**We continue to evaluate further initiatives for cost savings and synergies**

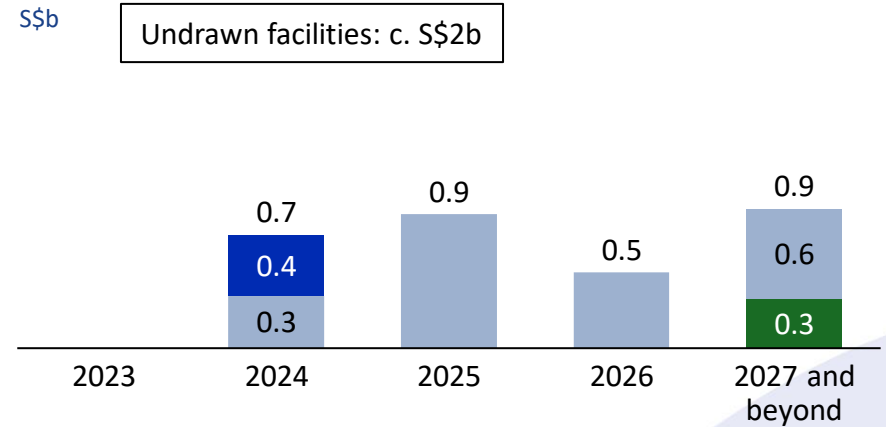
# RECALIBRATED DEBT AND IMPROVED LIQUIDITY



**PRE-REFINANCING DEBT MATURITY PROFILE  
AT JUN 2023**



**POST-REFINANCING DEBT MATURITY PROFILE  
AT DEC 2023**



- Secured **>S\$3.5b** in new loans, refinancing and trade financing
- Replaced short-term working capital loans with **more flexible and committed instruments**
- Undrawn facilities increased to **c. S\$2b**
- Average loan maturity **extended by c. 2 years to 2026+**

# BUILDING A STRONGER BALANCE SHEET AND OPTIMAL CAPITAL STRUCTURE



**2023**

- ✓ Refinanced and secured bank loans; onboarded new lenders
- ✓ Recalibrated debt maturity profile and enhanced liquidity
- ✓ Improved net leverage (Net debt/EBITDA) to 3.2x
- ✓ Increased green and sustainability-linked financing

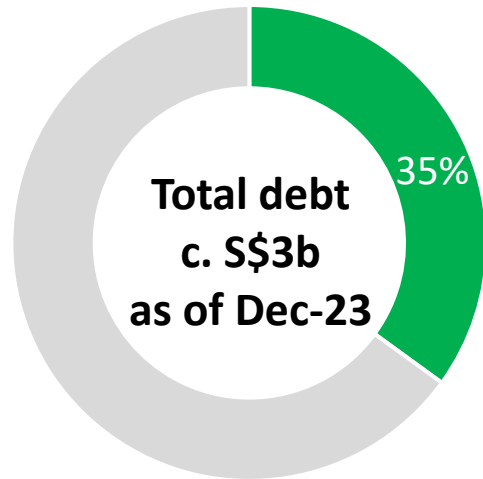


**2028**

- Diversify funding sources and access capital markets
- Target 50% of total funding to be green and/or sustainability-linked
- Maintain strong credit profile with net leverage c.2.0-3.0x

# GREEN & SUSTAINABILITY-LINKED FINANCING

Our greener orderbook enables sustainability-linked financing to support project execution and ESG targets



■ Sustainability-linked / green



c. **S\$2b** undrawn credit facilities, **20%** of which are sustainability-linked / green



## Target 50%

of borrowings to be sustainability-linked / green to anchor our ESG commitments

# CAPITAL ALLOCATION AND FUNDING SOURCES



## CAPITAL ALLOCATION

- **Invest to strengthen capabilities** in yards, AI and digitalisation for growth and greater productivity
- **Pursue targeted acquisitions** to accelerate development in new areas
- **Increase returns for shareholders** through dividends and/or share buybacks

## FUNDING SOURCES

- **Diversify lender base and access capital markets** for funding and working capital needs
- **Enhance cash flow** through executing higher quality orderbook and proactive cash management
- **Recycle capital** for redeployment by monetising non-core assets and IP



# KEY TAKEAWAYS



WE HAVE **CLEAR FINANCIAL TARGETS AND PATH TO PROFITABILITY**, THROUGH A COMBINATION OF **TOPLINE GROWTH AND COST OPTIMISATION**



WE HAVE A **STRONGER BALANCE SHEET WITH HEALTHY DEBT MATURITY PROFILE AND IMPROVED LIQUIDITY**, SUPPORTED BY **GREEN FINANCING**



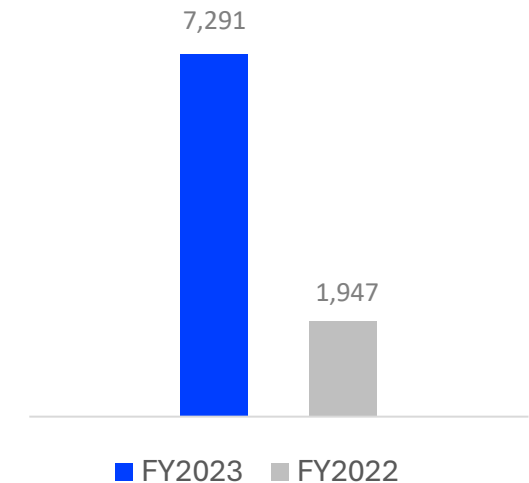
WE WILL CONTINUE TO PROGRESS TOWARDS OUR VISION, **ENHANCE OUR INVESTMENT PROFILE AND DELIVER TOTAL SHAREHOLDER RETURNS**

# FY 2023 FINANCIAL RESULTS<sup>1</sup>

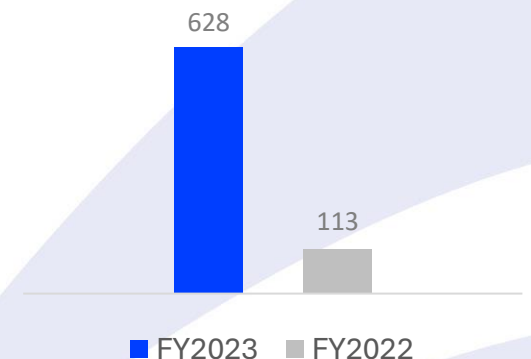
## FY 2023 FINANCIAL SUMMARY

- **Revenue** of S\$7.3 billion has tripled from FY2022
- **Underlying EBITDA<sup>1</sup>** at positive S\$628 million, compared with S\$113 million in FY2022, an increase of 456%
- **Underlying Net Loss<sup>1</sup>** was S\$28 million, compared to S\$141 million in FY2022
- **Net loss** of S\$2.0 billion, compared to S\$261 million in FY2022
- **Free cash inflow** of S\$506 million, compared to an inflow of S\$1.0 billion in FY2022
- **Improved liquidity and debt profile – Net gearing** was 0.12x at end 2023, compared to 0.26x at end 2022
- **Net debt** reduced to S\$747 million at end 2023, compared to S\$998 million at end 2022

Revenue (S\$m)



Underlying EBITDA<sup>1</sup> (S\$m)



## FY 2023 FINANCIAL HIGHLIGHTS

S\$ million	2H2023	2H2022	+/(-) %	FY2023	FY2022	+/(-) %
Revenue	4,406	852	417	7,291	1,947	274
Underlying EBITDA <sup>1</sup>	370	45	722	628	113	456
Underlying Net Profit/(Loss) <sup>1</sup>	33	(85)	n.m.	(28)	(141)	n.m.
<i>Exceptional items</i>	<i>(1,872)</i>	<i>(33)</i>	<i>n.m.</i>	<i>(2,103)</i>	<i>(120)</i>	<i>n.m.</i>
EBITDA	201	12	n.m.	236	(7)	n.m.
Net Loss	(1,753)	(118)	n.m.	(2,017)	(261)	n.m.

- Underlying EBITDA was S\$628 million as compared to S\$113 million in the prior year, reflecting strong project execution and cost efficiencies.
- Exceptional items of S\$2.1 billion in FY2023 comprise:
  - Non-cash write-downs of S\$1.4 billion for surplus and non-core assets and excess/obsolete inventories arising from our strategic review, and
  - S\$0.7 billion of provisions for onerous contracts, legal and corporate claims, and merger expenses.

## BALANCE SHEET AND GEARING

S\$ million	31 December 2023	31 December 2022	+ / (-) %
Shareholders Funds	6,394	3,769	70
Net Debt	747	998	(25)
Net Current Assets / (Liabilities)	55	(301)	n.m.
Net Gearing Ratio (times)	0.12	0.26	-
Net Asset Value Per Share (cents)	9.4	12.0	(22)
Net Tangible Asset Per Share (cents)	3.2	11.5	(72)
ROE (%)	(39.7)	(6.7)	n.m.

- Net gearing was 0.12 times compared to 0.26 times
- Net Asset Value Per Share was 9.4 cents and Net Tangible Asset Per Share was 3.2 cents
- Transformed balance sheet from “Net Current Liability” of S\$1.45 billion at 1H2023 to “Net Current Asset” of S\$55 million at end 2023

## FREE CASH FLOW

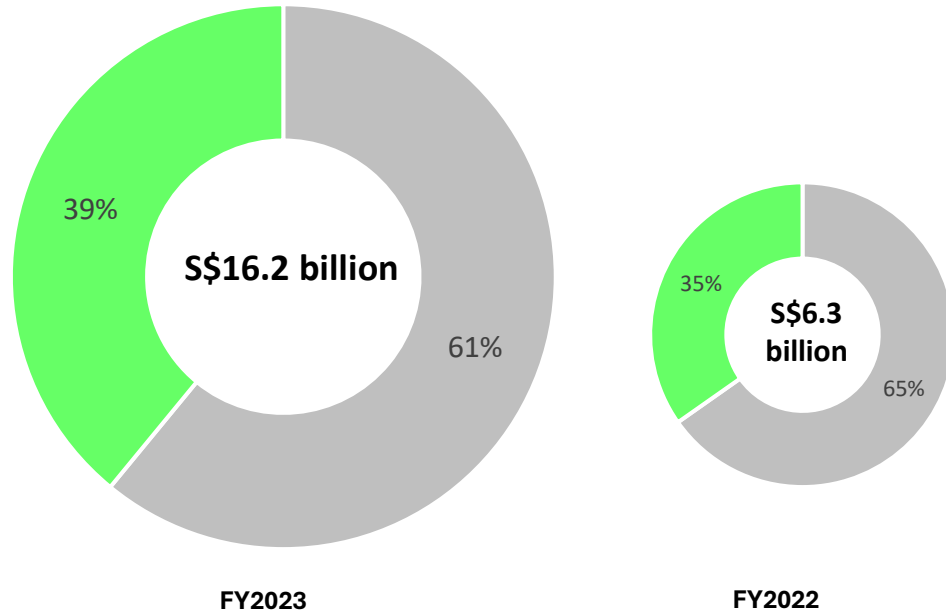
S\$ million	FY2023	FY2022	+ / (-) %
Operating Profit/(Loss) before working capital changes	484	(28)	n.m.
Working capital changes	122	1,050	(88)
Net Interest & Tax Paid	(5)	17	n.m.
<b>Net cash from operating activities</b>	<b>601</b>	<b>1,039</b>	<b>(42)</b>
Net Investments & Capex	(95)	(26)	265
<b>Free cash inflow</b>	<b>506</b>	<b>1,013</b>	<b>(50)</b>

- Net cash from operating activities was S\$601 million in FY2023 mainly due to receipts from customers (including early receipt of S\$968 million from Borr Drilling), offset by higher working capital needs for ongoing projects
- Free cash inflow of S\$506 million was recorded in FY2023

# STRONG, QUALITY NET ORDER BOOK

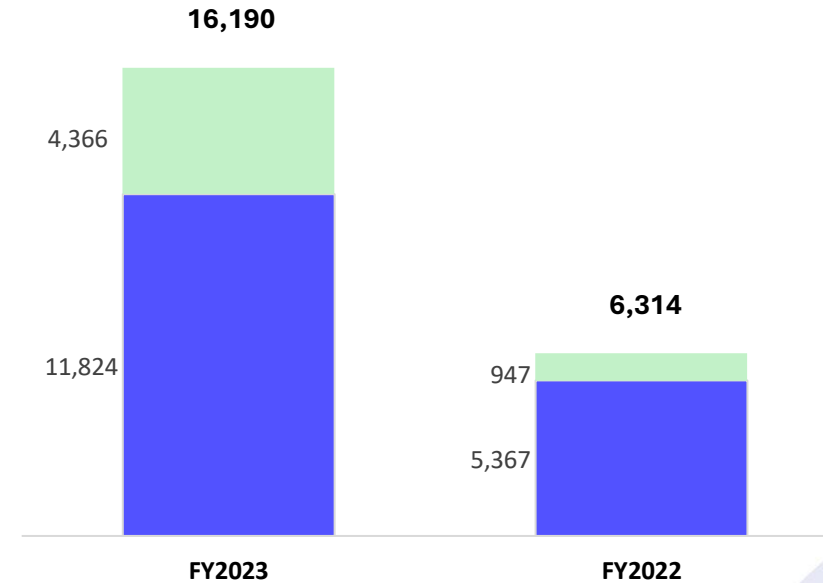
## Renewables & Cleaner/Green Solutions

■ Non-renewables & Others    ■ Renewables, Cleaner/Green Solutions



## Business Segments (S\$ million)

■ Floating Solutions    ■ Fixed Solutions



**Net Order Book of S\$16.2 billion** comprises:

- Contract wins of S\$4.5 billion secured in FY2023 and YTD 2024
- 27 projects under execution with deliveries till 2030
- Renewables and cleaner/green solutions comprise approximately 39% of the Group's net order book
- Floating Solutions contributed 73% of order book while Fixed Solutions accounted for 27%

# ORDER BOOK: PROJECTS AND DELIVERY SCHEDULES

Products / Services	Contract Value (S\$ million)		Clients
	Gross	Net	
<a href="#">For delivery in 2024</a> 1 FPSO Topside Integration / 1 TSHD / 2 Jack-Ups / 2 FPSO Integrations / 1 FPU Refurbishment / 1 WTIV	1,707	481	MODEC / Manson Construction / Borr Drilling / BW Offshore / SBM Offshore / Salamanca FPS / Dominion Energy
<a href="#">For delivery in 2025</a> 1 Pluto Train / 1 FPSO / 3 Offshore Substations / 1 FLNG Facilities Conversion / 1 WTIV / 1 HVDC Offshore Converter Platform / 1 NApAnt / 1 FPSO Modules Fabrication / 1 HVDC Offshore Converter Platform	5,874	1,986	Bechtel / Petrobras / Ørsted / NFE Innovation / Maersk Supply Service / RWE Renewables / Emgepron / Offshore Frontier (MODEC) / TenneT
<a href="#">For delivery in 2026</a> 1 Gas Topsides EPCI / 1 Offshore Substation / 1 FPU	1,374	1,154	Major energy company in Australia / Empire Wind LLC / Shell Offshore
<a href="#">For delivery in 2027 onwards</a> 2 FPSOs	8,041	5,324	Petrobras
<a href="#">For delivery in 2028 onwards</a> 1 FPSO / 1 FLNG Conversion / 2 HVDC Offshore Converter Platforms	8,340	7,245	Petrobras / Golar / TenneT
<b>Total*</b>	<b>25,336</b>	<b>16,190</b>	

## Strong order book growth of 2.5x yoy:

- **New orders** of S\$4.5 billion secured in FY2023 and YTD 2024
- **27 projects under execution**, with deliveries till 2030, underpinning earnings visibility as we convert the order book into revenue

\* - Includes two of three contracts for the supply of HVDC platforms for TenneT TSO B.V., excludes the third project which was announced on 19 Feb 2024

- Excludes Repairs & Upgrades



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