

SEATRIUM LIMITED
(Incorporated in Singapore)
(Company Registration No. 196300098Z)
(the “Company” or “Seatrium”)

**MINUTES OF THE 61ST ANNUAL GENERAL MEETING OF THE COMPANY HELD AT
STEPHEN RIADY AUDITORIUM@NTUC, NTUC CENTRE, LEVEL 7, ONE MARINA
BOULEVARD, SINGAPORE 018989 AND USING VIRTUAL MEETING TECHNOLOGY ON
FRIDAY, 26 APRIL 2024 AT 11.00 AM**

PRESENT

Shareholders (who attended in person and via live webcast) : Please refer to the attendance records maintained by the Company.

Board of Directors

Mr Mark Gainsborough : Chairman of the Board of Directors (the “Board”)
 (“Chairman of the meeting”)
Mr Yap Chee Keong (“YCK”) : Deputy Chairman
Mr Chris Ong Leng Yeow : Director and Chief Executive Office (“CEO”)
Mr Nagi Hamiyeh : Director
Mr Jan Holm : Director
Mr Lai Chung Han : Director
Ms Ieda Gomes Yell : Director
Mr Sarjit Singh Gill : Director
Ms Astrid Skarhein Onsum : Director
Ms Mariel Von Schumann : Director

In Attendance / By Invitation

Mr Kenny Tan Choon Wah : KPMG LLP, the Company’s Auditors
Ms Yap Lune Teng : Allen & Gledhill LLP, Legal Advisor to the Company
Ms Hilary Low : Allen & Gledhill LLP, Legal Advisor to the Company
 in connection with the Proposed Share
 Consolidation
Management /Employees : Please refer to the attendance records maintained
 by the Company.

Polling Agent

Trusted Services Pte Ltd

Scrutineer

T S Tay Public Accounting Corporation

1 INTRODUCTION

- 1.1 Judy Tan (“JT”) welcomed all who had joined the 61st Annual General Meeting of the Company (the “AGM”). She introduced the board of directors of the Company and informed the shareholders that representatives from the Company’s auditors and legal adviser had also joined the AGM.

2 PRESENTATION BY CEO

- 2.1 A video showcasing the Group was presented. The CEO then presented an overview of the operating and financial performance of the Group for the financial year ended 31 December 2023. The presentation included the business outlook of the Group following the successful completion of the Combination.

His presentation covered the following:

- a) A recap of the transformative combination of Keppel Offshore & Marine and Sembcorp Marine to form Seatrium.
 - b) Highlights of FY2023: revenue of approximately S\$7.3 billion, positive EBITDA of S\$236 million, net order book of approximately S\$16.2 billion and new orders of approximately S\$4.5 billion. The Group secured over S\$3.5 billion in loans, refinancing and trade financing, which included S\$2.5 billion in green or sustainability-linked facilities in FY2023.
 - c) Completion of strategic review of the Group’s business strategy and capital structure. Identified S\$300 million of recurring annualised savings and S\$200 million of one-off procurement savings from on-going projects.
 - d) Implementation of a “One Seatrium” Global Delivery Model where projects are worked on in different yards globally, supported by centralised engineering and technology resources, creating the opportunity to scale the business.
 - e) Launch of Sustainability Vision 2030 and targets to achieve net zero by 2050.
 - f) Targets to consistently achieve at least S\$1 billion or more in EBITDA, ROE of 8% or higher, and net leverage of 2 to 3 times or lower, on a through cycle basis, by FY2028 or earlier.
 - g) Key priorities for 2024, (i) capture synergies and cost savings; (ii) laser focused on execution of order book; (iii) secure new order wins and grow pipeline; and (iv) proactive capital management.
- 2.2 The presentation slides presented by CEO at the meeting may be accessed at the SGX website at the URL [CEO Presentation during AGM](#).

3 LIVE QUESTIONS AND ANSWERS SESSION

- 3.1 Shareholders were informed that the AGM would use live questions and answers as well as live voting.

- 3.2 Some shareholders had submitted questions in advance of the AGM. The Company had on 19 April 2024 posted its responses to these questions on the SGXNet before the AGM and the responses may be accessed at the SGX website at the URL [Responses to Shareholders Questions dated 19 April 2024](#).
- 3.3 Before the Chairman start the AGM proceedings, the Board and Management took questions from the shareholders.
- 3.4 The questions and answers during the AGM's Q&A session were set out in "Appendix 1" attached hereto.

4 CHAIRMAN'S GREETINGS

- 4.1 Chairman welcomed shareholders who attended the AGM.

5 QUORUM

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

6 NOTICE OF MEETING

- 6.1 Chairman took the notice of AGM dated 9 April 2024 and all the resolutions stated therein as read.

7 PROXY AND POLLING

- 7.1 Chairman informed that the voting would be conducted by poll via the online platform for the AGM. In his capacity as the Chairman of the meeting, he had been appointed by some shareholders as their proxy to vote on their behalf. He would vote and/or abstain in accordance with their instructions. For shareholders who have not submitted their forms appointing the Chairman as their proxy, they have to cast their votes via the online platform for this meeting.
- 7.2 Chairman further informed that the Company had appointed Trusted Services Pte Ltd as the polling agent and T S Tay Public Accounting Corporation as the scrutineer for the AGM. The scrutineer had supervised and verified the counting of the votes of all valid proxy forms submitted by the 72-hour cut-off time before the meeting. The scrutineer would also verify the votes cast by shareholders during the meeting.
- 7.3 Chairman announced the voting results of each resolution after dealing with all the resolutions.

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

- 8.1 Chairman proposed:

“That the directors’ statement and the audited financial statements for the year ended 31 December 2023 and the auditors’ report thereon be and are hereby received and adopted.”

8.2 Chairman put the motion to vote.

9 RESOLUTION 2 – RE-ELECTION OF MR MARK GAINSBOROUGH AS DIRECTOR

9.1 Chairman passed the chair to YCK to deal with the proposed Resolution 2 as this item dealt with the Chairman’s own re-election.

9.2 YCK informed that Mr Mark Gainsborough will, upon re-election, remain as the Chairman of the Board of Directors, the Chairman of the Nomination and Remuneration Committee and Transformation Committee and a member of the Corporate Social Responsibility Committee. He is considered an independent director of the Company.

9.3 YCK proposed:

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

9.4 YCK put the motion to vote and thereafter returned the chair to Chairman for him to continue conducting the AGM proceedings.

10 RESOLUTION 3 – RE-ELECTION OF MR NAGI HAMIYEH AS DIRECTOR

10.1 Chairman informed that Mr Nagi Hamiyeh will, upon re-election, remain as a member of the Audit and Risk Committee, Nomination and Remuneration Committee and Transformation Committee. He is considered a non-executive and non-independent director of the Company.

10.2 Chairman proposed:

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

10.3 Chairman put the motion to vote.

11 RESOLUTION 4 – RE-ELECTION OF MS IEDA GOMES YELL AS DIRECTOR

11.1 Chairman informed that Ms Ieda Gomes Yell will, upon re-election, remain as a member of the Corporate Social Responsibility Committee and Transformation Committee. She is considered an independent director of the Company.

11.2 Chairman proposed:

“That Ms Ieda Gomes Yell, a director retiring pursuant to Article 100 of the Company’s Constitution, be and is hereby re-elected as a director of the Company.”

11.3 Chairman put the motion to vote.

12 RESOLUTION 5 – RE-ELECTION OF MR SARJIT SINGH GILL AS DIRECTOR

12.1 Chairman informed that Mr Sarjit Singh Gill will, upon re-election, remain as a member of the Audit and Risk Committee. He is considered an independent director of the Company.

12.2 Chairman proposed:

“That Mr Sarjit Singh Gill, a director retiring pursuant to Article 100 of the Company’s Constitution, be and is hereby re-elected as a director of the Company.”

12.3 Chairman put the motion to vote.

13 RESOLUTION 6 – RE-ELECTION OF MS ASTRID SKARHEIM ONSUM AS DIRECTOR

13.1 Chairman informed that Ms Astrid Skarheim Onsum, will upon re-election, remain as a member of the Audit and Risk Committee. She is considered an independent director of the Company.

13.2 Chairman proposed:

“That Ms Astrid Skarheim Onsum, a director retiring pursuant to Article 100 of the Company’s Constitution, be and is hereby re-elected as a director of the Company.”

13.3 Chairman put the motion to vote.

14 RESOLUTION 7 – RE-ELECTION OF MS MARIEL VON SCHUMANN AS DIRECTOR

14.1 Chairman informed that Ms Mariel von Schumann, will upon re-election, remain as a member of the Nominating and Remuneration and the Committee and Corporate Social Responsibility Committee. She is considered an independent director of the Company.

14.2 Chairman proposed:

“That Ms Mariel von Schumann, a director retiring pursuant to Article 100 of the Company’s Constitution, be and is hereby re-elected as a director of the Company.”

14.3 Chairman put the motion to vote.

15 RESOLUTION 8 – APPROVAL OF DIRECTORS’ FEES

15.1 Chairman informed that the directors had recommended the payment of a sum of up to S\$2,900,000 as directors’ fees for the year ending 31 December 2024. All directors and their associates are abstaining from voting on this resolution. As the Chairman of the meeting, he would accept appointment as proxy for any other shareholder to vote in respect of the proposed Resolution 8, 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 proposed Resolution 8.

15.2 Chairman proposed:

“That the directors’ fees of up to S\$2,900,000 for the year ending 31 December 2024 be and is hereby approved.”

15.3 Chairman put the motion to vote.

16 RESOLUTION 9 – RE-APPOINTMENT OF AUDITORS

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

16.2 Chairman proposed:

“That KPMG LLP be re-appointed as the 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 Chairman put the motion to vote.

17 RESOLUTION 10 – RENEWAL OF SHARE ISSUE MANDATE

17.1 Chairman proposed the following ordinary resolution:

“That approval 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 Chairman put the motion to vote.

18 RESOLUTION 11 – RENEWAL OF SHARE PLAN MANDATE

18.1 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 Seatrium Performance Share Plan 2020 (the "Seatrium PSP 2020") and/or the Seatrium Restricted

Share Plan 2020 (the “Seatrium RSP 2020”) (the Seatrium PSP 2020 and the Seatrium 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 Chairman put the motion to vote.

19 RESOLUTION 12 – RENEWAL OF INTERESTED PERSON TRANSACTIONS MANDATE

19.1 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 9 April 2024 (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 Chairman put the motion to vote.

20 RESOLUTION 13 – RENEWAL OF SHARE PURCHASE MANDATE

20.1 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.”

20.3 Chairman put the motion to vote.

21 RESOLUTION 14 – PROPOSED SHARE CONSOLIDATION

21.1 Chairman proposed the following ordinary resolution:

“That authority be and is hereby given:

- (a) for the proposed consolidation of every twenty (20) existing issued ordinary shares (including treasury shares) of the Company (“Existing Shares”) held by the shareholders of the Company (“Shareholders”) as at the record date to be determined by the directors (“Record Date”) into one (1) ordinary share of the Company (collectively referred to as the “Consolidated Shares” and each, a “Consolidated Share”) in the manner set out in the Letter to Shareholders dated 9 April 2024, fractional entitlements to be disregarded, and the number of Consolidated Shares which each Shareholder is entitled to resulting from the Proposed Share Consolidation, based on their holdings

of Existing Shares as at the Record Date, shall be rounded down to the nearest whole Consolidated Share (the “Proposed Share Consolidation”);

- (b) any fraction of a Consolidated Share which may arise from the Proposed Share Consolidation pursuant to paragraph (a) above shall be disregarded, and all fractions of Consolidated Shares to which holders of the Existing Shares would otherwise be entitled to shall be aggregated and dealt with in such manner as the directors may, in their absolute discretion, deem fit in the interests of the Company, including but not limited to (i) disregarding fractional entitlements, or (ii) aggregating and selling the same and distributing the proceeds on a pro rata basis to such holders of Existing Shares or on such other basis as they may, in their absolute discretion, deem appropriate;
- (c) the directors be and are hereby authorised to fix the Record Date and the date on which the Consolidated Shares will trade on the Mainboard of the Singapore Exchange Securities Trading Limited in board lots of one hundred (100) Consolidated Shares in their absolute discretion as they deem appropriate; and
- (d) the directors and/or any of them be and are hereby authorised to do all such acts and things (including, without limitation, executing all such documents as may be required, entering into all transactions, approving any amendments, alterations or modifications to any documents, and signing, filing and/or submitting any notices, forms and documents with or to the relevant authorities) as they and/or he may think necessary, desirable or expedient to give effect to the Proposed Share Consolidation contemplated in this Resolution or in the interests of the Company.”

21.2 Chairman put the motion to vote.

22 POLL RESULTS

22.1 Chairman informed that all the votes had been counted and verified.

22.2 All the proposed resolutions set out in the AGM notice were duly passed and a summary of the poll results has been published at the SGXNET on 26 April 2024.

23 CLOSURE OF MEETING

23.1 There being no other business, the meeting ended at 1.30 pm. Chairman thanked shareholders for their attendance at this AGM.

CONFIRMED BY

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Mark Gainsborough
Chairman of the meeting

APPENDIX 1 – LIVE QUESTIONS AND ANSWERS SESSION

1. How does the Company plan to execute share buybacks under the Proposed Share Purchase Mandate?

The Company has established a share buyback programme which provides for a systematic share purchase approach for good corporate governance and signals our confidence in the share price of the Company and our commitment to further align the Group's interest with that of our shareholders.

Funded out of existing cash, shares repurchased pursuant to the Proposed Share Purchase Mandate will be held as treasury shares which will in turn be deployed for the Group's existing employee share plans, used to pay the share component of the directors' fees, or cancelled against the Group's share capital to increase shareholder returns.

For more details on the Proposed Share Purchase Mandate, please refer to paragraphs 3.1 to 3.10 of the Company's [Letter to Shareholders dated 9 April 2024](#).

2. Why does the Company propose to undertake the Proposed Share Consolidation?

During its engagement with the investment community, the Company has received investors' feedback about the price level and volatility of our share price. The Proposed Share Consolidation is proposed to reduce volatility in the Company's share price and increase market interest and attractiveness of the Company. We believe that the Proposed Share Consolidation will be beneficial to the Company and its shareholders over the longer term.

For more details on the Proposed Share Consolidation, please refer to paragraphs 4.1 to 4.7 of the Company's [Letter to Shareholders dated 9 April 2024](#).

3. Could the Company provide an indication on the possibility of any dividend declaration in 2026 onwards?

The Board and the Management team are focused on the Company's strategic directions and business operations to deliver an improved financial performance and build a profitable and resilient business over time.

As presented at our Investor Day in March 2024 (the presentations are available on our corporate website), we target to consistently deliver an EBITDA of at least S\$1 billion or more, achieve ROE of 8% or higher, and net leverage of 2 - 3 times or lower through cycle from 2028 or earlier.

4. I refer to the two recent Company's announcements which significantly affected the Company's share price.

The first being the Company's announcement dated 28 March 2024 where it was disclosed that as part of the terms of the deferred prosecution agreement ("DPA") with Attorney-General's Chambers ("AGC"), the Company is required to pay a financial penalty of US\$110 million and up to a maximum US\$53 million of the payments to be made by the Company to the Brazilian authorities will be credited against the financial penalty.

Could the Company clarify if it is liable to pay the Brazilian authorities in addition to S\$76 million payable to the AGC under the DPA? Is the case closed after the DPA?

The second being the Company's announcement dated 18 April 2024 in respect of the arbitral award granted in favour of MH Wirth. Does this mean that there is no further liability towards MH Wirth?

Given that this matter happened before the merger and the arbitration proceedings concluded in July 2023, have all these liabilities been attributed to the predecessor, Sembcorp Marine and do we have any contingent liabilities in escrow account that we may use to claim the full sum against?

The Board and the Management team are cognisant of shareholders' concern over these historical issues and have been working on resolving these legal matters to the extent possible.

With respect to the Operation Car Wash settlement, we would like to clarify that the Company is liable for a financial penalty of S\$182.4 million to the Brazilian authorities as part of the leniency agreement. Under the Singapore DPA, we were given a credit by the AGC for the settlement we would already be making to the Brazilian authorities such that the net payment that we will be making to the AGC will be reduced to S\$76.5 million. The net total financial penalty is approximately S\$259 million. The settlement will allow us to continue operating globally, including in Brazil.

The Company is committed to the highest standards of compliance with all applicable laws, rules and regulations, including zero tolerance for bribery and corruption.

The Company has over time implemented a robust compliance program including procedures for anti-corruption risk assessments, mandatory compliance training, third-party due diligence, internal and external anti-corruption audits, and to continuously monitor and improve our policies and procedures. It is also part of the DPA and the leniency agreement that we continue to demonstrate exemplary conduct in this regard.

In general, it is not uncommon for companies to be subject to various project arbitration matters in the normal course of business.

Regarding the arbitral award with MH Wirth, we would like to clarify that the arbitral award was only received recently, although the arbitration proceedings concluded in July 2023.

While there were some cross-indemnities pursuant to the combination in February 2023, such claims can only be made if the identified contingent liabilities fall within the scope and limit of the cross-indemnities. No escrow account is kept perpetually for the cross-indemnities purpose.

- 5. Petrobras announced on 11 March 2024 that they pushed back the contracting dates for three key floating production, storage and offloading ("FPSO") vessel tenders because potential bidders face difficulties in securing financing. Does the Company have any financing issue in tendering for these projects?**

With the receipt of arbitral award and the settlements pursuant to the leniency agreement with the Brazilian authorities and DPA with the Singapore authorities, can the Company bid these projects?

Could you address the need for local content and how does the Company leverage this requirement to compete for projects globally? How important are FPSO projects to the Company?

The above financing issue as previously announced by Petrobras does not apply to us and are more relevant for vessel operators.

Seatrium's key business is primarily EPC contracts where it targets to achieve cashflow neutrality, with progressive payments made by customers in different stages of project completion as long as contractual milestones are met.

The settlements under the DPA and the leniency agreement will not hinder our ability to tender for future projects, including in Brazil.

Both the oil and gas and the renewables markets will remain important over the medium to long-term. The FPSO product market will be one of the key focuses of our strategy over the next few years. Our yards in Brazil come with proven track records to meet the local content requirements and support the region's growing FPSO demand.

Today, we are organised around a "One Seatrium" global delivery model where projects are worked on in different yards globally, supported by centralised engineering and technology resources. This way, we will not be limited to a specific yard capacity or resource limitation.

Going forward, we will continue to invest in our core assets and capabilities to scale up our business under this operating delivery model. This is especially important as we handle multiple projects by tapping on our capability worldwide and at the same time, meeting local content requirements.

6. With reference to page 29 of the Company's annual report, what is the expected net order book this year? What are the profit margins for the conventional projects and renewable energy projects?

While the order book is a key driver of our business, we are unable to provide any revenue projection or specific guidance on this.

Renewables and cleaner/green solutions currently contribute approximately 39% of our current net order book. Our Sustainability Vision aims for 40% of our net order book to comprise renewables and cleaner/green solutions by 2030.

Profit margins are project-specific and vary across different projects. When reviewing potential projects, we will consider our own internal return targets, capability allocation, and potential risk-adjusted returns.

7. Page 22 of the Company's annual report states that the Group registered exceptional items of S\$2.1 billion in FY2023. Can you provide details on what the S\$2.1 billion exceptional items comprise?

In FY2023, we have a net loss of S\$2 billion which was primarily attributable to exceptional items comprising non-cash write-down of S\$1.4 billion for surplus and non-core assets, excess and obsolete inventories arising from our strategic review and S\$0.7 billion pertaining to provisions for onerous contracts, legal and corporate claims, and merger expenses.

- 8. Page 29 of the Company's annual report states that the net order book stood at S\$16.2 billion with 27 projects to deliver by 2030. How many projects can the Group complete in one year from now, and what is the value of these projects?**

Our projects vary in size, and we do not monitor our projects by the number of projects. The revenue we can generate from our projects is based on percentage of completion. Notwithstanding that, we currently have 27 projects under execution with deliveries till 2030, we will continue working on executing our order book.

- 9. The balance sheet indicates that total assets increased by approximately S\$7 billion from S\$9 billion in FY2022 to S\$16 billion in FY2023 due to the merger. Approximately S\$4 billion out of the S\$7 billion increase was attributable to intangible assets. Keppel Offshore & Marine was acquired with a very large goodwill. Can you share how much did Keppel Offshore & Marine contributed to the Group in the past financial year?**

There was a substantial amount of goodwill which resulted from the Combination. However, today, we look at the business as One Seatrium, following the completion of the Combination. There is no individual accounting which differentiates the contribution to our Group in FY2023 from the respective pre-combination group of entities.

Today, we are horizontally integrated across our yards globally to fulfil global project execution. Our ability to consolidate and access the market is now very different as we are competing with a fixed set of energy solutions which is well received by our customers.

- 10. What is the Company's strategy to improve its gross profit? What is the Group's plan to pay off its loans with its negative income? What assurance and confidence can the Company provide shareholders to continue investing in the Company?**

The Board and the Management recognise the importance of building a resilient and profitable business and have been working towards achieving this.

In the AGM presentation, we shared our achievements in a year since the completion of the Combination, our strategy and areas of focus going forward. We managed to turn our EBITDA around in the first year after combination and we will continue to build on it. As we operate in a cyclical industry, it is important to achieve through cycle returns consistently. We target to consistently deliver an EBITDA of at least S\$1 billion or more, achieve ROE of 8% or higher, and net leverage of 2 - 3 times or lower through cycle from 2028 or earlier.

The Company must be fundamentally profitable to maintain sufficient cashflow liquidity. Overall, the Company is in a stronger liquidity position this year. Currently, there is no intention to propose a rights issue exercise.

We do not foresee any difficulty in repaying our outstanding loans.

- 11. What is the Management's confidence in achieving the 2028 financial targets?**

Seatrium is focused on delivering results and is ambitious to achieve the targets it set. The targets involve multi-year actions to leverage the "One Seatrium" delivery model to scale the business and maintain a strong balance sheet through proactive capital management and liquidity management.

12. Can the Company be more ambitious and achieve a bigger order book compared to its competitors?

It is difficult for Seatrium to benchmark itself against other shipbuilders as they are not directly comparable to our business for benchmarking purposes.

Since the Combination, we have instilled a strong commercial discipline to only enter contracts that will add value to the bottom-line. When building the order book, we consider not only the size, but also quality of the contracts in terms of cashflow generation and margin contribution.

13. I refer to page 139 of the Company's annual report. Is there any impairment of the Group's goodwill of S\$3.8 billion as recognised on acquisition of Seatrium Offshore & Marine Limited?

Goodwill is not only a measure of what was paid in a transaction, but also an assessment of the value of the underlying business.

Goodwill impairment assessment is one of the key audit matters which has been subject to review by the Management, the Audit and Risk Committee and the Board every quarter.

Based on the latest review, there is no goodwill impairment.

14. Who are the immediate competitors of the Company? Will ammonia fuel be used for shipping industry in the future and can the Company leverage on this as a business opportunity?

As a leading global player in the offshore and marine industry, we compete with Chinese competitors and competitors in the Middle East.

While we are actively looking at how we can play a role in the supply chain for the bunkering, shipping and use of hydrogen, ammonia fuel and other new energies, as well as market opportunities in carbon capture and storage (CCS), it is important to monitor the development of this nascent industry before committing significant resources.

In fact, Seatrium converted the world's first vessel with dual fuel engine to run on ammonia, in combination with diesel, the Fortescue Green Pioneer.

15. I would like to endorse the CEO's leadership and the Board's mix of skills, experiences and diversity.

We would like to thank our shareholders for their support.