



SEATRIUM LIMITED FY2024 RESULTS BRIEFING

Address by Mr Adrian Teng, Chief Financial Officer

21 February 2025 (Friday) 10.00am

@ Tuas Boulevard Yard

FY2024 financial summary (Slide 18)

1. Thank you, Chris and good morning to all.
2. I will now take you through Seatrium's financial results.
3. Seatrium's revenue for the full year 2024 was S\$9.2 billion, a 27% increase from S\$7.3 billion in 2023 due to stronger project execution and higher value work in Repairs & Upgrades.
4. Underlying EBITDA grew 23% to S\$771 million for 2024 driven by increased revenue, lower general & administrative costs and divestment of non-core assets. FY2024 Underlying figures exclude legal & corporate claims, a different basis from the FY2023 Underlying figures which exclude write-downs, provision for onerous contracts, legal & corporate claims, and merger expenses. We have taken the view that provisions for contracts are part of our ongoing operations, and are now included in our 2024 Underlying figures.
5. In FY2024, Seatrium achieved our first full year profit. Underlying net profit was S\$200 million, achieving a positive swing from an underlying net loss of S\$28 million for FY2023.
6. Today, Seatrium has a stronger balance sheet. As at end December 2024, net current assets stood at S\$554 million, a significant improvement from S\$55 million at end-2023.

Income statement highlights (Slide 19)

7. In the second half of 2024, revenue grew 18% to S\$5.2 billion from S\$4.4 billion for second half 2023, resulting from steady execution of our larger order book. Second half revenue were mainly from the six FPSO projects for Petrobras, the three 2GW HVDC offshore converter platform projects for TenneT, and increased contribution from Repairs & Upgrades.
8. Second half underlying EBITDA was S\$381 million. This was generated through higher revenue and lower general & administrative expenses, offset by incremental project costs.
9. Underlying net profit for 2H2024 more than doubled to S\$85 million, attributable to lower interest, depreciation, and tax expenses from underlying EBITDA.

Realising synergies & savings (Slide 20)

10. At our Investor Day in March 2024, we announced a target to achieve a recurring S\$300 million annualised savings through synergies and overhead reductions by end-2025. I am pleased to announce that we are on track to achieve this target within the timeframe.
11. We have also identified procurement savings of S\$200 million from existing projects being executed. Some of these savings have been realised since we first set the target in March 2024, and will realise the remaining savings over time.

Capital management (Slide 21)

12. During the year, we strengthened our balance sheet with active loan repayments and refinancing activities, including securing a S\$400 million green revolving loan facility. As at end-2024, Seatrium's net debt stood at S\$689 million, a reduction from last year's S\$747 million, representing a 8% reduction through progressive and active repayment of loans, offset by increased working capital project needs.
13. Seatrium's net leverage ratio was 1.1x as at end-2024, down from 3.2x as at end-2023.
14. Seatrium is proposing a dividend of 1.5 cents per share, amounting to a total dividend of S\$51 million. This distribution reaffirms our continued focus on generating positive long-term shareholder returns, while maintaining a disciplined approach to capital management.

Free cash flow (Slide 22)

15. Net cash from operating activities was S\$97 million, mainly due to higher working capital needs for ongoing projects, offset by lower interest expenses.
16. Overall free cash inflow for FY2024 was S\$218 million compared with S\$505 million for FY2023, as the decrease in net cash from operating activities was partially offset by proceeds from the sale of non-core assets and dividends received.
17. We have adequate liquidity of over \$3.5 billion of cash and undrawn credit facilities to support our growth initiatives.

Debt profile (Slide 23)

18. During our Investor Day, we announced our target to have 50% of our borrowings from sustainability-linked or green facilities by 2028. I am pleased to announce that we have achieved that target ahead of time, solidifying our ESG commitments.
19. We have also reduced our weighted average cost of debt to 4.9% as at end-2024, compared with 5.7% as at end-2023.
20. Meanwhile, our weighted average debt maturity profile has been extended to 29 months as at end-2024.

Order book: Projects & delivery schedules (Slide 24)

21. Year-to-date 2025, our net order book stood at S\$23.2 billion, up from S\$16.2 billion in the previous period. Our order book comprises 27 projects with deliveries till 2031, giving us revenue visibility and a good foundation for the years ahead.
22. With that, we have come to the end of our presentation, and we will now proceed with the Question & Answer session. Thank you.

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