



Company Registration Number: 196300098Z

**SEATRIUM LIMITED 62ND ANNUAL GENERAL MEETING
RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS
FROM SHAREHOLDERS**

Singapore, 16 April 2025 – Seatrium Limited (“**Seatrium**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) would like to thank shareholders for submitting their questions in advance of the 62nd Annual General Meeting of the Company (“**AGM**”) to be held on 23 April 2025.

The Company has received questions from shareholders in relation to the AGM and is providing the responses to the substantial and relevant questions in this announcement.

Questions

- 1. President Trump has said that he wants the oil price to fall by allowing more oil to flow and has walked out of the Paris agreement, driving oil prices down. If oil price falls, less investment will flow into oil exploration. With Trump walking out of the Paris agreement, there will be less investment in green energy. How do these developments impact Seatrium and what is the longer-term impact on the company?**

While energy policies may shift, the long-term fundamentals are clear: global energy demand remains strong, energy security is increasingly important, and the global transition to renewables and cleaner/green sources will continue.

As a global leader with a proven track record in offshore engineering solutions, Seatrium is well-positioned to navigate these shifts and support customers across different market conditions. The Group’s portfolio which spans oil & gas and renewables solutions, as well as maritime upgrades, positions it favourably to capitalise on the energy market tailwinds, ultimately driving sustainable growth.

The Group’s net order book stood at a strong S\$23.2 billion as of February 2025, comprising projects for energy production assets in both oil and gas, and renewables and cleaner/green solutions. The Group continues to see healthy demand for its solutions and remains closely engaged with its customers.

The Group is on track to meet its 2028 financial targets to strengthen profitability and return on equity. Its efforts are supported by its diversified portfolio, multi-pronged strategy and disciplined execution. Through the One Seatrium Global Delivery Model, the Group will continue to optimise operations, deploy resources efficiently, and maintain high standards of safety and quality in project delivery, to deliver long-term value to its customers.

- 2. What would be the impact of the new US tariffs on Seatrium?**

With the latest imposition of 10% Reciprocal Tariffs by the U.S., please explain whether the Company has identified and assessed this risk and what impact this would have on Seatrium's business and operations.

The recent announcement on tariffs by the US is still in the early stages of implementation. Seatrium, as a Group, is keenly monitoring the developments and assessing the scope and impact on its business and commercial arrangements.

Seatrium's projects are generally delivered on an ex-yard's basis. For US-bound projects, Seatrium's contractual scope also excludes transportation and installation. Based on our preliminary assessment, the Group does not foresee material tariffs impact or expect to incur material direct cost exposure from the announced tariffs for these projects. In addition, the contracts typically include provisions that allocate the risks of regulatory and tax law changes to the customer.

That said, the Group is mindful that there may be broader foreign exchange and inflationary impact on cost of supplies, materials and equipment across the offshore, marine and energy sectors. It is actively evaluating the extent of these potential impacts over the medium to long term, as part of its risk and cost management processes.

3. Oil prices have dropped precipitously, with crude oil prices plunging to below \$60 over the last week. If oil price stays below \$60, do you anticipate order cancellations, deferments by existing and potential customers? What would be the impact on Seatrium if oil prices remain low?

With the decline in oil prices and further decline expected amid global uncertainty and potential recession, can the management share its outlook for this financial year as well as beyond? Are we seeing signs of slowdown in the O&G business? How much impact would that translate to Seatrium's bottomline?

In light of the recent US tariffs imposed on trading partners which may affect global economic growth and oil prices, could you please comment on whether Seatrium's business may be impacted by any potential changes in oil demand?

The Group has not received requests for project cancellations and deferments as a result of current oil price levels as at the date of this announcement. The net order book of S\$23.2 billion as of February 2025 is diversified, including projects for Floating Production Storage and Offloading (FPSO), Floating Production Unit (FPU) and offshore wind platforms. These are sizeable, multi-year projects for energy majors, Transmission System Operators (TSOs) and wind farm developers that contribute to energy production when completed. These projects provide revenue visibility and operational resilience over the next few years.

The Group is actively monitoring macroeconomic and geopolitical developments, including the potential impact of US tariff measures on global trade and energy demand beyond the near term.

Despite the short-term fluctuations in oil prices, the Group views that the long-term structural demand for energy infrastructure will remain strong, underpinned by energy demand, security and sustainability. These fundamentals are expected to support continued investment across both traditional and cleaner/green energy segments.

Today, Seatrium is a much stronger global player, with a diversified portfolio of oil & gas and renewables solutions that addresses the long-term structural need for energy infrastructure, a decade-high net order book, and a stronger balance sheet. Our One Seatrium Global Delivery Model provides greater operational flexibility across geographies and project types, enabling the Group to respond to shifts in demand and project allocations.

4. President Trump is adamant on bringing oil prices low. In the company's view, what is the viable level of oil prices for the company and/or the industry to remain profitable?

In the short term, oil prices are generally affected by macroeconomic and geopolitical factors. However, over the medium to long term, oil prices will likely adjust to a sustainable level that is economically feasible for capital investments to meet energy demand.

We expect innovation by industry players and technological advancements in offshore production methods to reduce production costs over time. Offshore oil & gas is expected to remain an important component of the global energy mix, particularly as energy security concerns translate into demand for reliable energy sources.

Seatrium is a global player in the offshore and marine industry with a diversified portfolio of oil & gas and renewables solutions that addresses the long-term structural need for energy infrastructure. The Group's engineering expertise, operational scale and Global Delivery Model provide flexibility and agility in adapting to evolving market conditions, and enhance its ability to sustain profitability.

5. While global uncertainty and recession is not something the Company can control, what are some plans in place to mitigate these pressures?

Since the formation of Seatrium, the management has focused on building a resilient business that can weather market cycles and macroeconomic uncertainties.

The Group has organised its operational structure around a One Seatrium Global Delivery Model, which is a marked shift from the previous "yard-centric" approach. This enables Seatrium to allocate projects across multiple geographical locations, leverage yard facilities and resource availability, to enhance productivity, improve resource efficiency and ultimately achieve operational excellence.

Seatrium has been right-sizing its cost base globally, recycling capital through disposal of non-core assets/investments, and investing in new capabilities. These ongoing initiatives strengthen the Group's competitiveness and ability to safeguard margins. We are on track to achieve S\$300 million in recurring annual savings by end-2025 from synergies and cost savings initiatives.

Today, Seatrium's business is also more diversified across different product solutions in both the oil & gas and renewables sectors, including FPSOs, FPU's and offshore wind platforms. This diversification enhances the Group's resilience against fluctuations in any single market segment. We also have a stable base of Repairs & Upgrades projects, supported by 22 Favoured Customer Contracts.

Additionally, the Board and management continuously monitor evolving market conditions and integrate our risk management processes to assess potential impact of global uncertainties.

6. Is there an intention to cancel the shares bought back by the Company?

Shares bought back by the Group are allocated to employees for share awards vesting, which were granted under the Group's existing employee compensation share plans. They are also used to pay the share component of the directors' fees. If there are substantial surplus treasury shares, they may be cancelled.

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About Seatrium Limited

Seatrium Limited provides innovative engineering solutions to the global offshore, marine and energy industries. Headquartered in Singapore, the Group has over 60 years of track record in the design and construction of offshore platforms, rigs, floaters, and specialised vessels, as well as in vessel repairs, upgrades and conversions.

The Group's key business segments include Oil & Gas, Offshore Wind, Repairs & Upgrades, and Carbon Capture and Storage (CCS) & New Energies, with a growing focus on sustainable solutions to advance the global energy transition and maritime decarbonisation.

As a premier global player offering offshore renewables, new energies and cleaner offshore & marine solutions, Seatrium is committed to delivering high standards of safety, quality and performance to its customers which include major energy companies, vessel owners and operators, shipping companies, and cruise and ferry operators.

Seatrium operates shipyards, engineering & technology centres and facilities in Singapore, Brazil, China, India, Indonesia, Japan, Malaysia, the Philippines, Norway, Saudi Arabia, United Arab Emirates, the United Kingdom and the United States.

Discover more at www.seatrium.com

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