



Company Registration Number: 196300098Z

Seatrium Interim Business Update for 1Q2023

- **A good start with multiple project wins and a bolstered net order book**
 - Landmark win of three 2GW most advanced HVDC Offshore Converter Platforms from TenneT TSO B.V.
 - Award of two Offshore Substation Platform EPCC contracts following successful completion of FEED from Empire Wind
 - Significant win of EPCI services agreement from Chevron for its LNG fleet modification project
 - Net order book of ongoing projects increased to over S\$20 billion
 - Renewables and cleaner/green solutions comprise approximately 39% of the Group's net order book.
- **Continued strong execution with successive project deliveries and good progression on existing projects**
 - Strong execution with successive project deliveries including the third and final Ropax unit built for Norled and the Prosperity FPSO for SBM Offshore
 - Servicing a total of 91 vessels/offshore structures including naval vessels, cruise liners, LNG carriers, FSU/FSRU/FSO/FPSO units and jackups across the Group's yards
- **Shareholders' support for combination with Keppel O&M and name change**
 - Sembcorp Marine shareholders gave overwhelming 95.28% support for the Proposed Combination with Keppel O&M at the Company's EGM held on 16 February 2023
 - At the Company's AGM held on 26 April 2023, 99.91% voted in support for the change of name to Seatrium Limited

Singapore, 12 May 2023: Seatrium Limited (“**Seatrium**” or the “**Company**” and together with its subsidiaries, the “**Group**”) is today issuing its interim business update for the first quarter of 2023 (“**1Q2023**”).

KEY PROJECT WINS

1. The Group, through its wholly-owned subsidiary Sembcorp Marine Offshore Platforms Pte. Ltd. (“**SMOP**”) and its consortium partner, clinched its largest offshore renewable project, to supply the high voltage direct current (HVDC) electrical transmission systems for three mega offshore wind farm projects, each valued at approximately EUR 2 billion from TenneT TSO B.V. (“**TenneT**”) With a combined capacity of six Gigawatt (GW) for deployment in the Netherlands, the three offshore wind farm platforms will contribute towards TenneT’s sustainability ambition through its offshore grid development programme, which involves the installation of 40GW of offshore wind energy in the German and Dutch North Seas, to enable Europe to be the world’s first climate neutral continent.
2. The Group through SMOP also secured a contract worth more than S\$500 million for two offshore wind farm substations from Empire Wind LLC, a joint venture between Equinor and bp. This contract award follows the successful completion of the FEED (Front-End Engineering and Design) contract which was secured by SMOP in 2022. The scope of the project involves the engineering, procurement, construction, offshore hook-up and commissioning of two Offshore Substation (OSS) Platforms for the Empire Wind 1 and 2 Offshore Wind Farms located about 20 miles south of Long Island, east of the Rockaways.
3. The Group, through its wholly-owned subsidiary Sembcorp Marine Repairs & Upgrades Pte. Ltd (“**SMRU**”) entered into an agreement with Chevron Shipping Company LLC (“**Chevron**”) to provide Chevron with engineering, procurement, installation, and commissioning (EPIC) services for its LNG fleet modification and upgrade project to support its energy transition goals.

OPERATIONS REVIEW

Successful Delivery / Completion of Projects

4. The Group continued to execute strongly into the first quarter of 2023 and to date, has successfully delivered multiple key projects including notable repair and major refits projects.

Please refer to Appendix 1 for a listing of projects completed.

Ongoing Project Executions

5. Key projects under execution with delivery scheduled from 2023 to 2030 include RWE Renewables’ **Sofia Offshore Wind Farm**, Newbuild Wind Turbine Installation Vessels (WTIV) **Charybdis** for Dominion Energy and **Sturgeon** for Maersk Supply Service (Maersk).

6. The Group also has multiple EPC (Engineering, Procurement and Construction) contracts from Brazilian state-owned oil and gas producer, Petroleo Brasileiro S.A. (Petrobras), for newbuild FPSOs, **P-78, P-80, P82 and P-83**, for deployment in the Buzios field, in the pre-salt Santos Basin, off the coast of Rio de Janeiro, Brazil.
7. Underpinned by increasing preference for natural gas as the maritime industry strives for a greener future, the Group secured multiple LNG carrier repair and retrofit projects and currently has 20 LNGCs across its yards undergoing retrofitting programmes. Other key repair and upgrade projects include conversion works on three units of FPSO, the **Tortue, Ngujima-Yin and Armada Claire**.

Please refer to Appendix 2 for details of key projects under execution.

New Contract and Order Developments

8. The Group reported a number of key contract wins during the reported quarter and to-date and these include the landmark Framework Cooperation Agreement (FCA) from TenneT; two Offshore Substation Platform Projects from Empire Offshore Wind, and an Offshore Substation (OSS) Platform construction contract from an international renewable energy company.

Please refer to Appendix 3 for details of these project awards.

Net Order Book

9. Year-to-date, the Group has a net order book of over S\$20 billion (with a total original contract sum of S\$27.8 billion). This consists of approximately S\$19.9 billion¹ of projects under execution with ongoing Repairs & Upgrades projects contributing the remaining.
10. Renewables and cleaner/green solutions comprise approximately 39% of the Group's net order book.

CASH FLOW & LIQUIDITY MANAGEMENT

11. Year-to-date, the Group registered higher overall cash balance following completion of the combination with Keppel O&M and improvement in operating cash flows from continuing successive completion and deliveries of key projects. These will be used to meet payables and other working capital needs in FY2023.
12. The Group registered a net debt/equity ratio of 0.18 times (0.26 times as at end FY2022).

¹ includes two of three contracts for the supply of the HVDC systems for TenneT

13. Since the FY2022 Results Update, there has been no further disbursement of the proceeds from the September 2021 S\$1.5 billion Rights Issue. The balance of the net proceeds remains at approximately S\$600 million.
14. The Group expects to have the necessary liquidity to fund its operations for the foreseeable future.

OUTLOOK

15. Amid the ongoing energy transition and heightened concerns for energy security, the industry outlook for oil & gas, offshore renewables and other green solutions continues to improve and strengthen. The Group is actively responding to new opportunities and is focused on converting its orders pipeline into firm contracts.
16. With a combined order book of over S\$20 billion with completions scheduled from 2023 to 2030, the Group remains focused on executing well on all its existing projects. The completion of the projects will contribute positively to the Group's financial performance.
17. Following completion of the combination, the Company embarked on a comprehensive strategic business review to unlock synergies and build a roadmap for sustainable growth. A dedicated transformation team is in place to drive the strategic review and the exercise is expected to be completed before the end of 2023.

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About Seatrium Limited

Seatrium Limited (formerly Sembcorp Marine Ltd and renamed as Seatrium Limited following its merger with Keppel Offshore & Marine Limited) provides innovative engineering solutions to the global offshore, marine and energy industries. Headquartered in Singapore, the Group has 60 years of track record in the design and construction of rigs, floaters, offshore platforms and specialised vessels, as well as in the repair, upgrading and conversion of different ship types.

The Group's key business segments of Oil & Gas Newbuilds and Conversions; Renewables and New Energies; Specialised Shipbuilding; and Repairs & Upgrades provide a diverse suite of products and services, 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 energy, and cleaner offshore & marine solutions, Seatrium is committed to delivering high standards of safety, quality, and performance to its customers who include major energy companies, owners of floating production units, shipping companies and cruise and ferry operators.

Seatrium operates shipyards and other facilities in Singapore, Brazil, China, Indonesia, Japan, the Philippines, Norway, the United Kingdom and the United States.

Discover more at seatrium.com.

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This release 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.

Successful Delivery / Completion of Projects

The Group continued to execute strongly into the first quarter of 2023 and to date, has successfully delivered these projects:

- January 2023: A zero-emission full battery-operated Roll-on/Roll-off passenger (Ropax) ferry, the **Leikanger**, the third and final Ropax unit built for Norled by the Group for deployment in Norway;
- February 2023: The **Prosperity FPSO** (Floating, Production, Storage and Offloading), the third vessel constructed by the Group for SBM Offshore and chartered to the consortium of ExxonMobil, CNOOC, and Hess for deployment to offshore Guyana; and
- For the reported quarter to-date, the Group serviced a total of 91 vessels/offshore structures at its yards and these included naval vessels, cruise liners, LNG carriers, FSU/FSRU/FSO/FPSO² units and jackups.

Notable repair and upgrade projects completed include major refits of:

- **Westerdam**, **Pacific Encounter** and **Queen Elizabeth** for Carnival Corporation; **Resort World 1** and **Genting Dream** for RW Cruises; and **Paul Gauguin** for Compagnie du Ponant
- FSU **Golar Tundra** for Cool Company Management AS (Norway); FSRU **Golar Celsius** for New Fortress Energy (USA); FSRU **KARMOL LNGT Powership Europe**; FSO **Ship 114** for International Andromeda Shipping (Italy); and **Valaris 115** for Valaris (USA)

The Group's chartering and bunkering businesses marked several operational milestones in 1Q2023.

- **JMS Sunshine**, the Group's first newbuild LNG hybrid tug for domestic service in Singapore is built based on a proprietary design of LMG Marin AS, a wholly-owned subsidiary of the Group. First of its kind, the newbuild tug is part of the Group's decarbonisation efforts to reduce the carbon footprint of its fleet operations. It runs on pure LNG, with a sizable energy storage system based on lithium-ion battery, and is capable of emission-free operation during idling and low speed transit. The vessel is classed by ABS (America Bureau of Shipping) and has a Cyber Secure 1 notation to safeguard the asset from growing cyber threats faced by the marine and offshore industry.
- FueLNG, a joint venture between the Group's wholly-owned subsidiary Keppel Offshore & Marine and Shell Singapore, marked several key developments that further its ambition of advancing the adoption of LNG as a marine fuel in the industry including:
 - Achievement of the first Pure Car and Truck Carrier (PCTC) bunkering in Singapore with the successful bunkering of LNG-fuelled PCTC vessel **Jasmine Leader** owned by Nippon Yusen Kabushiki Kaisha (NYK) by **FueLNG Bellina**; and
 - The addition of a newbuild 18,000 cbm state-of-the-art LNG bunker vessel, **FueLNG Venosa**, to FueLNG's fleet in May 2023 for service commencement in Singapore, following the vessel's construction completion and naming in Ulsan, Korea earlier in April 2023.

² Refer to Floating Storage Unit/Floating Storage Regasification Unit/Floating Storage Offloading/Floating Production Storage Offloading respectively.

Ongoing Project Executions

Key Projects Under Execution
<p>Renewables Solutions</p> <ul style="list-style-type: none"> • Empire Wind– Two Offshore Wind Farm Substations Newbuild • Maersk Supply Service – Wind Turbine Installation Vessel Newbuild • RWE Renewables – Sofia Offshore Wind Farm: Offshore Converter Platform • TenneT – Offshore Wind Farm Projects: Three 2GW HVDC Offshore Converter Platforms (Netherlands); Offshore HVDC Converter Station and Onshore Converter Station (DoWin 5) • EPCC of an Offshore Wind Farm Substation (Asia Pacific Offshore Wind Site) • Dominion Energy – Wind Turbine Installation Vessel Newbuild
<p>Process Solutions</p> <ul style="list-style-type: none"> • Petrobras – Four FPSO EPC Projects: P-78, P-80, P-82 and P-83 • Shell – Whale Project: Newbuild Floating Production Unit (FPU) • Single Buoy Moorings – FPSO Topside Integration Project & Four FPSO Modules Fabrication for FPSO Almirante Tamandaré • MODEC – FPSO Bacalhau Topside Integration Project & FPSO Sangomar Completions Project • BW Offshore – FPSO Topside Integration • Salamanca FPS Infra – Refurbishment of FPU
<p>Gas Solutions</p> <ul style="list-style-type: none"> • Bechtel – Pluto Train 2 Project: Modules Assembly of LNG Gas Processing Trains • Major Energy Company in Australia – Gas Topsides EPCI Project • New Fortress Energy – FLNG Facility Conversion of a Sevan Drilling Unit & FSRU Celsius Conversion • MOL – Brassavola: LNG Bunker Vessel • Pasha Hawaii – LNG-fuelled Containership • Golar LNG – Two FLNG Conversions • GAS-Fifteen – FSRU Alexandroupolis Conversion • Gas Scrubber and BWTS Retrofit
<p>Ocean Living Solutions</p> <ul style="list-style-type: none"> • Emgepron – NApAnt Scientific Research Support Vessel • Van Oord – Trailing Suction Hopper Dredger Newbuild • Manson Construction – Trailing Suction Hopper Dredger Newbuild
<p>Advanced Drilling Rigs</p> <ul style="list-style-type: none"> • Borr Drilling – Construction of Four Jack-ups

Key projects under execution with delivery scheduled from 2023 to 2030 include:

Offshore Renewables and New Energies

- RWE Renewables’ **Sofia Offshore Wind Farm** - Construction of the Offshore Converter Platform remains on track with offshore construction works expected to commence in 2H2024.
- Newbuild Wind Turbine Installation Vessel (WTIV) **Charybdis** for Dominion Energy - Ongoing construction of the WTIV in the Group’s yard in Brownsville, Texas, U.S., with scheduled delivery in 2024. The first WTIV to be built for the U.S. market, the vessel is designed to handle current turbine technologies, as well as next generation turbine sizes of 12 megawatts or larger including installation of foundations for turbines and other heavy lifts.

- **Sturgeon**, a WTIV for Maersk Supply Service (Maersk) - Construction is progressing well with the vessel's keel-laying completed in February 2023 at the Group's flagship Tuas Boulevard Yard in Singapore. Designed by the Group in collaboration with Maersk, the WTIV will be built in full compliance with the U.S. Jones Act for deployment at U.S. offshore windfarms **Empire 1 and 2** in early 2025.

Cleaner Oil & Gas Newbuilds and Conversions

- Multiple EPC (Engineering, Procurement and Construction) contracts from Brazilian state-owned oil and gas producer, Petroleo Brasileiro S.A. (Petrobras), for newbuild FPSOs **P-78, P-80, P82 and P-83**, for deployment in the Buzios field, in the pre-salt Santos Basin, off the coast of Rio de Janeiro, Brazil.
- The engineering, conversion, topside fabrication and integration of two Sevan drilling vessels into Floating LNG liquefaction facilities for New Fortress Energy. Topside fabrication works for the first FLNG unit are in progress following the project's strike steel in November 2022 with scheduled delivery in 1H2024. Work on the second FLNG liquefaction facility project is expected to be contracted at a later date.
- An EPCI Gas Topsides contract for a major energy company in Australia - Fabrication work for this four-year project is underway, which achieved first steel in March 2023.
- **Vox Alexia**, the third dual-fuel Trailing Suction Hopper Dredger built for Van Oord, has completed sea trial and is in the final stages of testing and completion, with expected delivery in 2Q2023. Equipped with state-of-the-art marine and dredging systems for enhanced operational performance, the energy-efficient dredger is highly automated and incorporates green features that reduce fuel consumption and carbon emissions.
- **NApAnt**, a support vessel for the Brazilian Navy for scientific research deployment in the Antarctic - Construction is underway at the Group's Estaleiro Jurong Aracruz (EJA) Yard in Brazil following the official strike steel in early May 2023, with expected completion in 2H2025.
- **Alexandroupolis**, an EPC FSRU conversion for Gaslog - The vessel is currently undergoing conversion works following completion of detailed engineering works with delivery scheduled for 4Q2023.
- **Gimi**, an EPC FLNG conversion for Golar LNG - Commissioning works have commenced with load test of the power machineries scheduled for late May 2023. The project is destined for the BP Greater Tortue Ahmeyim (GTA) liquefied natural gas (LNG) project, located off the coasts of Mauritania and Senegal.
- **Golar Celsius**, a FSRU conversion for New Fortress Energy - Conversion works are underway following the arrival of the vessel in April 2023.

Collaborative Projects

The Group actively initiates collaborations with academic and research institutions and industry partners to continuously augment its innovative capabilities and technological bench strength, as well as to push the boundaries of engineering excellence and the development of transformative and sustainable solutions for a greener future. The Group's recent partnerships include:

- Establishment of the Seatrium-TCOMS Ocean Lab by Seatrium and the Technology Centre for Offshore and Marine, Singapore (TCOMS) at end April 2023 to advance the design and operational performance of smart ocean systems and infrastructure. A master research collaboration agreement was signed by the Group and TCOMS to jointly pursue five main research thrusts centred on offshore renewable energy such as floating offshore wind systems; cleaner oil and gas solutions including smart floating production platforms; smart marine systems such as autonomous vessels and green ships; new energy solutions including ammonia (NH₃), hydrogen (H₂) and Carbon Capture, Utilisation and Storage (CCUS); as well as digitalisation & data analytics for enhanced predictability and reliability of ocean systems and its infrastructure. The agreement builds on joint projects conducted over the past five years between TCOMS and Seatrium, ranging from the digital twinning of autonomous tugs and offshore energy systems to the design evolution and validation of future offshore wind platforms and marine infrastructure.
- A multi-year Joint Development Project in collaboration with ABS to pioneer digital transformation and advance smart yard initiatives covering a wide range of innovative digital solutions including remote inspection using smart glasses with 5G technology to enhance the vessel surveying process. In recognition of the Group's digital innovation efforts, Seatrium was recognised by ABS as the first shipyard group to deploy smart technologies in its operations, in line with the newly released *ABS Guide for Smart Technologies for Shipyards* launched at end April 2023. Since 2022, Seatrium has launched the 5G infrastructure across its yard operations to future-proof yard-wide connectivity, which will enable the trial and deployment of multiple-use cases, including an augmented reality (AR) and virtual reality (VR) remote inspection platform, and smart video analytics.

New Contract and Order Developments

The Group reported a number of key contract wins during the reported quarter and to-date and these include:

- A landmark Framework Cooperation Agreement (FCA) from TenneT TSO B.V. (TenneT) jointly secured by the Group through its wholly-owned subsidiary Sembcorp Marine Offshore Platforms (SMOP) together with consortium partner GE Renewable Energy's Grid Solutions (GE), to supply the high voltage direct current (HVDC) electrical transmission systems for three mega offshore wind farm projects, with a combined capacity of six Gigawatt (GW), in the Netherlands. The FCA consists of three project contracts, each valued at approximately EUR 2 billion, and covers a period of five years with an option to extend another three years.

Representing the Group's largest offshore renewables project to date, the scope of work involves the engineering, procurement, construction, transportation, installation and commissioning of three 2GW HVDC Offshore Converter Platforms – the biggest and most powerful of their kind in the industry. Construction of the Offshore Converter Platforms, each comprising a 25,500-tonne topside and a 9,500-tonne jacket foundation structure, will progressively commence from 3Q 2024 at the Group's Singapore and Batam Indonesia yards.

Seatrium's wholly-owned subsidiary Sembmarine SLP, based in the UK, will be performing the offshore hook-up and commissioning. This will include the provision of logistics and warranty support from its base in the UK, as well as the establishment of a European office in the Netherlands. Offshore completion of the platforms are expected from 4Q 2029 to 2031.

- Two Offshore Substation Platform Projects worth more than S\$500 million awarded by Empire Offshore Wind, a joint venture between Equinor and bp, to the Group's wholly-owned subsidiary SMOP. The contract award follows the successful completion of the FEED (Front-End Engineering and Design) contract which was secured by SMOP in 2022.

The scope of the project involves the engineering, procurement, construction, offshore hook-up and commissioning of two Offshore Substation (OSS) Platforms for the Empire Wind 1 and 2 Offshore Wind Farms, located about 20 miles south of Long Island, which will power more than one million homes in New York and support U.S. energy transition goals for a low-carbon future. Construction works on the 810MW Empire Wind 1 Platform and the 1,260MW Empire Wind 2 Platform are expected to commence in 4Q2023 and 2H2024 respectively at the Group's Singapore and Indonesia yards.

- An Offshore Substation (OSS) Platform construction contract worth approximately S\$130 million secured by the Group through its wholly-owned subsidiary, Keppel FELS Limited (renamed Seatrium New Energy Limited) from an international renewable energy company in January 2023. The work scope comprises the engineering, procurement, construction, testing and commissioning for the complete substation. The OSS will have a capacity of 600MW and is scheduled to be completed during 2025 for deployment to an offshore wind site in the Asia Pacific region.