



SEATRIUM LIMITED 1H 2025 RESULTS BRIEFING

Address by Stephen Lu, Chief Financial Officer

31 July 2025 (Thursday) 11.00am

@ Tuas Boulevard Yard

Opening Remarks (Slide 12)

1. Thank you, Chris.
2. Good morning, everyone. Before diving into the financials, I want to re-affirm the three key levers that we believe underpin our value creation strategy:
3. First – orderbook growth and resilience. We are capitalising on the sustained global demand for offshore energy and maritime infrastructure. Our focus is to convert a strong pipeline into contract wins for high-quality and series-build projects, and to develop a sizeable and resilient orderbook.
4. Second – margin expansion. We expect margins to improve with operational leverage and a greater share of higher-margin projects. In addition, we are also driving execution efficiency, optimising costs and accelerating automation and digitalisation initiatives.
5. And third – asset portfolio optimisation. Two years into operating as “One Seatrium”, we now have greater visibility and integration across the business. This enables us to streamline operations which improves utilisation, monetise non-core assets, and at the same time, deploy capital prudently to enhance asset capabilities.

1H 2025: Stronger core financial performance (Slide 13)

6. Against these strategic levers, I’m glad to report a much stronger core financial performance for Seatrium in 1H 2025.

7. Revenue increased to S\$5.4 billion for 1H 2025, as we made steady progress against project plans, and recognised higher revenue. Our gross margin also doubled from 3.7% in 1H 2024 to 7.4% in 1H 2025.
8. Furthermore, we have made meaningful progress in streamlining general and administrative expenses over the past year, and reduced leverage while lowering our weighted average cost of debt.
9. As a result, net profit rose significantly from S\$36 million to S\$144 million in 1H 2025.

Income statement highlights (Slide 14)

10. Let me now deep-dive into a few key areas, starting with our income statement, where we made significant progress.
11. Revenue increased to S\$5.4 billion, in line with 2H 2024, and 34% higher than 1H last year. This is driven by both Oil & Gas and Offshore Wind solutions, as we continue to execute our current projects.
12. Gross margin widened significantly by 370 basis points to 7.4% for the period, reflecting stronger core performance. This is supported by a favourable mix of higher-margin projects, cost savings, and higher asset utilisation.
13. Other operating income was lower in 1H 2025, mainly due to fewer divestment gains and less favourable FX movements, especially due to a weaker US Dollar.
14. General and administrative expenses as a percentage of revenue declined by 120 basis points to 3.0%, compared to 4.2% in 1H 2024, as we benefitted from greater operating leverage and cost savings.
15. Net finance costs dropped by 5%, driven by debt repayments and lower financing costs, balanced by decreased interest and dividend income.
16. And finally, net profit saw a significant uplift, rising from S\$36 million in 1H 2024 to S\$144 million in 1H 2025.
17. In summary, our core performance improved as a result of revenue growth, margin expansion, cost savings, and disciplined execution across the business.

Revenue breakdown (Slide 15)

18. Now, let's take a closer look at our revenue. For the first time since merger, we provide a breakdown of our revenue mix, to give more clarity on segmental performance.
19. Contribution from Oil and Gas solutions rose 26% to S\$3.6 billion, mainly driven by steady execution and progressive revenue recognition, for the 6 newbuild Petrobras FPSOs, in particular *P-84* and *P-85*, which started works in 2H last year.
20. Offshore Wind solutions doubled its revenue to S\$1.1 billion, as we made strong progress on our 3 TenneT HVDC projects.
21. For Repairs and Upgrades, we completed 101 vessels in 1H 2025, slightly lower than 133 vessels in 1H 2024. As Chris shared earlier, this was mainly due to trade-related uncertainties, and weakness in LNGC market.
22. The Others segment saw revenue growth of 141%, supported by contributions from specialised shipbuilding, sale of rig kits, and chartering activities.

Cash flow highlights (Slide 16)

23. Moving on to our cash flows, our operating cashflows have improved significantly vs. 1H 2024. We remain focused on meeting project milestones, to sustain and further strengthen our cash generation.
24. Investing cash outflows were driven by capital expenditure of S\$32 million, and proceeds of S\$27 million, mainly from asset divestments in the period.
25. Financing cash outflows reflected our efforts to return capital to shareholders, and de-leverage to strengthen our balance sheet, which I will provide more details in the next slide.

Optimising debt to lower costs (Slide 17)

26. In terms of managing our capital structure, our approach continues to be balanced and disciplined, in order to de-lever and focus on reducing cost of capital.
27. In 1H 2025, our gross debt reduced by 10% to S\$2.4 billion as at 30 June 2025.

28. At the same time, our cost of debt declined from 4.9% at end-December 2024 to 4.4% at end-June 2025, driven by both a lower base rate and reduced margin. Looking ahead, we will continue to diversify our funding sources, and collaborate with our network of partners to secure favourable refinancing terms, supported by our improving credit profile.
29. In terms of liquidity, we maintain a robust position, with over S\$3.5 billion in cash and undrawn facilities, providing ample flexibility to support ongoing operations and growth initiatives.
30. Overall, our balance sheet remains very healthy, with a net leverage ratio of 1.0x and low net gearing of 0.1x as at 30 June 2025.

Order book underpins revenue visibility (Slide 18)

31. Lastly, I want to give you more colour on our orderbook and pipeline.
32. As at 30 June 2025, our net order book stood at S\$18.6 billion, comprising 25 projects with deliveries through to 2031, which gives us revenue visibility for several years.
33. More importantly, as Chris shared earlier, we see over S\$30 billion in near-term pipeline opportunities, from both Oil & Gas and Offshore Wind markets, and our commercial teams are actively pursuing them on the ground. This positions us well for further growth and value creation for shareholders.
34. I will now hand the time back to Chris, who will wrap up the presentation with the Group's key priorities and outlook moving forward.

- End -