



Company Registration Number: 196300098Z

Update on Impact of COVID-19 Phase 2 (Heightened Alert) Restrictions

Singapore, 8 June 2021 - Sembcorp Marine Ltd (the “**Company**” or the “**Group**”) refers to its Interim Business Update for 1Q 2021 released on 3 May 2021, where it stated that, *inter alia*:

- The Group continues to face COVID-19 supply chain constraints and shortages of skilled workers, which have impacted the execution and scheduled completion of some of the Group’s projects.
- The re-introduction of COVID-19 measures, including tighter border controls, could further impact the Group’s operations.
- Resolving the skilled manpower shortage on a timely basis is the Group’s key priority to address the risk of project delays or terminations.

The Company wishes to update shareholders that with the Phase 2 (Heightened Alert) restrictions introduced by the Singapore Government on 16 May 2021, the Group continues to face challenges in recruiting new skilled workers for its various projects. The Group has therefore been exploring alternative sources for skilled workers, which is likely to incur increased manpower costs for some of its ongoing projects.

Resolving the skilled manpower shortage on a timely basis remains a key priority and the Group will continue to work expeditiously with the relevant authorities to expedite the entry of the skilled workers into Singapore.

The Group will also continue to work closely with our customers to coordinate and re-schedule project completions. There has been no cancellation to-date of any of our existing projects.

The Company will provide further updates on its labour shortages and resulting cost impact in its first half 2021 financial results announcement.

About Sembcorp Marine

Sembcorp Marine provides innovative engineering solutions to the global offshore, marine and energy industries. Headquartered in Singapore, the Group has close to 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. Sembcorp Marine’s solutions focus on the following areas: Renewables, Process, Gas, Ocean Living and Advanced Drilling Rigs.

Sembcorp Marine's customers include major energy companies, owners of floating production units, shipping companies and cruise and ferry operators. They are supported by four commercial units: Rigs & Floaters; Repairs & Upgrades; Offshore Platforms and Specialised Shipbuilding.

Sembcorp Marine operates shipyards and other facilities in Singapore, Indonesia, the United Kingdom, Norway and Brazil.

Discover more at www.sembmarine.com.

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