



CEO ADDRESS

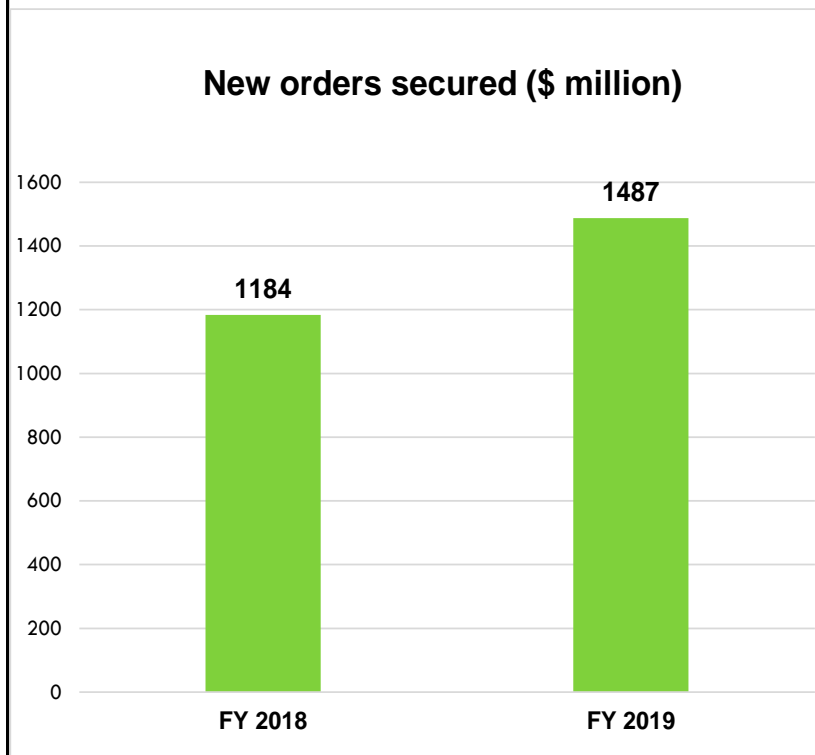
CFO FINANCIAL OVERVIEW

CEO ADDRESS

- ❖ **Introduction & Overview**
- ❖ **Financial Performance**
- ❖ **Operational Review**
- ❖ **Market Outlook**

(Please refer to CEO speech text for more details)

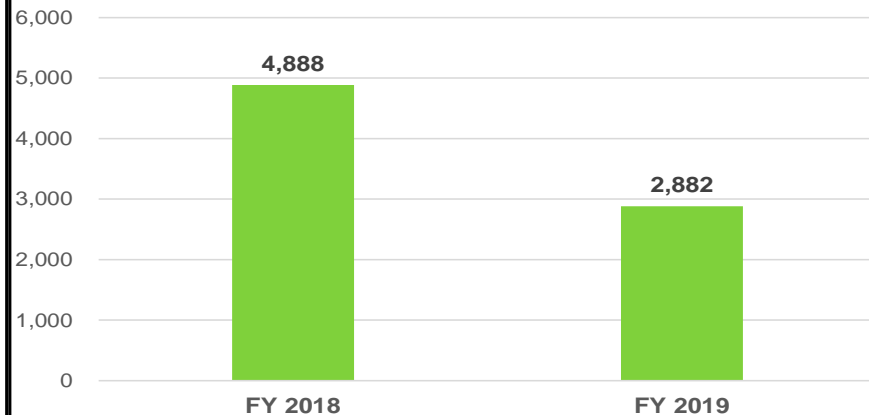
- ❖ The Group has had a challenging year operating in an environment impacted by oil demand and supply uncertainties, rising geopolitical tensions, the US-China trade war, and intense market competition.
- ❖ Despite this, we persisted in our transformation strategy to strengthen our technology & engineering capabilities.
- ❖ For FY2019, we added \$1.49 billion of new orders to our order book. Some \$530 million of new orders in FY2019 pertained to greener solutions, including scrubber and ballast water management system retrofits, and gas and renewable energy projects.
- ❖ We will continue to selectively invest strategically in new innovations, technologies, and raise production capabilities to further enhance our competitive edge and improve new orders flow. We took efforts to strengthen our balance sheet to meet our operational and capital needs.



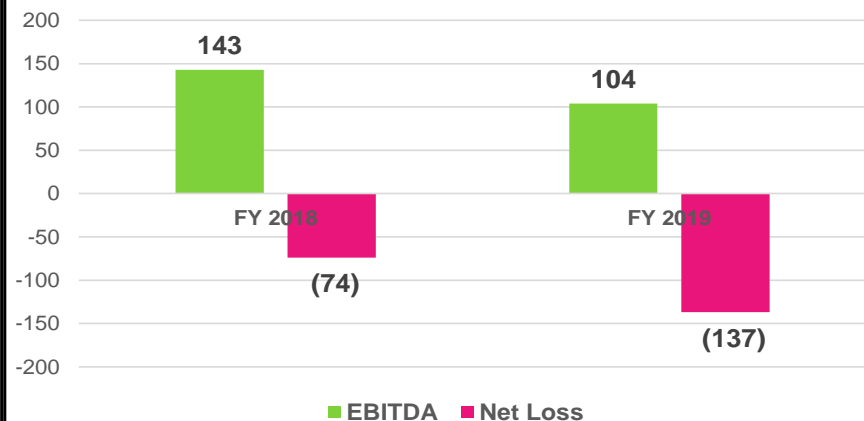
Financial Performance

- ❖ For the financial year 2019, the Group generated revenue of \$2.88 billion, compared with \$4.89 billion for FY 2018. However, excluding the delivery of 7 jack-ups and sale of a semi-submersible rig in FY 2018, FY 2019 revenue would have been 6% higher.
- ❖ EBITDA was \$104 million. Net loss for the year was higher at \$137 million, mainly due to the accelerated depreciation of \$48 million on our Tanjong Kling yard and the continued low overall business volume.
- ❖ Our CFO will cover more details on Sembcorp Marine's financial performance later.

Financial Performance - Revenue (\$m)



EBITDA & Net Loss (\$m)



- ❖ **Sembcorp Marine's new orders in 2019 included:**
 - **Project with first-time customer Jan De Nul to fabricate jacket foundations for Formosa 2, the biggest offshore wind farm in Taiwan.**
 - **Design-and-build project with Mitsui O.S.K. Lines (MOL) for a 12,000-cubic-metre capacity LNG bunker vessel – the biggest of its kind to be constructed in Singapore.**
 - **Floating Production, Storage and Offloading (FPSO) conversion job from Shapoorji Pallonji and Bumi Armada.**
 - **The Whale Floating Production Unit (FPU) project from Shell Offshore for the construction and integration of the FPU topside and hull, which came after the Shell Vito FPU was awarded to us in 2018.**
 - **Two new offshore platform contracts worth over \$550 million for the Al Shaheen field and Tyra field redevelopment projects. The contracts were respectively awarded by the ultimate customers, North Oil Company and Total.**

Operational Review

- ❖ **As at end 2019, the Group's net order book stands at \$2.44 billion, excluding the Sete Brasil drill ship contracts.**
- ❖ **To strengthen our orders visibility, during 2019, we also made further progress to better position ourselves to compete for major complex offshore projects, with more field developments now located in deeper, harsher and colder environments.**
- ❖ **We are currently in talks for several such opportunities, having engaged our prospects early in the project life-cycle with solutions for optimising project execution as well as safety and efficiency in post-delivery field operations. Such additional technical requirements, which we believe play to our strengths, would however require longer planning and development durations before the projects are awarded.**
- ❖ **Going into FY 2020, we are optimistic about our negotiations for several major projects, including the Siccar Point Cambo FPSO, for which we have concluded an exclusive FEED using our proprietary Sevan Design and are moving into the next phase. This puts Sembcorp Marine in a favourable position to secure the contract once the customer and its partners make their Final Investment Decision in 2020.**

Sete Brasil Drillship Contracts

- ❖ **In October 2019, we announced that we had reached a full and final settlement with the Sete Brasil Group on the claims under all seven drill ship contracts signed with them in 2012.**
- ❖ **Under the settlement agreement, we retain the titles to five of the seven drill ships, while ownership of the remaining two vessels in advanced construction stages is apportioned between Sembcorp Marine and Sete Brasil, according to payments we have already received from the latter.**
- ❖ **The settlement agreement is subject to certain conditions precedent which have since been fulfilled. We will also be terminating our arbitration proceedings against the Sete Brasil Group as part of the settlement agreement and are now talking to a potential purchaser on completing two of the seven drill ships. We hope the negotiation will soon progress to new orders for Sembcorp Marine**

Repairs & Upgrades

- ❖ Sembcorp Marine's Repairs & Upgrades business did well in 2019, having serviced 280 vessels with an average per-vessel revenue of \$2.16 million, compared to \$1.61 million in 2018.
- ❖ In the FSU/FSRU segment, we won five conversion and upgrading contracts, valued at \$71 million in total. These projects were among 55 LNG-related repair and upgrade jobs we received in 2019, which was a new record for the highest number of such contracts awarded to a single service provider in the global LNG segment.
- ❖ We also landed 16 cruise ship projects last year, and with that, the Group retained its position as Asia's top vessel repair and upgrading company in the cruise segment.
- ❖ The new IMO regulations on ballast water treatment and fuel sulphur reduction have brought good opportunities to our Repairs and Upgrades business. Over the last 18 months we have secured more than 200 orders for ballast water management system and gas scrubber retrofits, with some to be completed in 2020. These green technology retrofit solutions and related works contributed close to \$100 million of revenue in 2019.

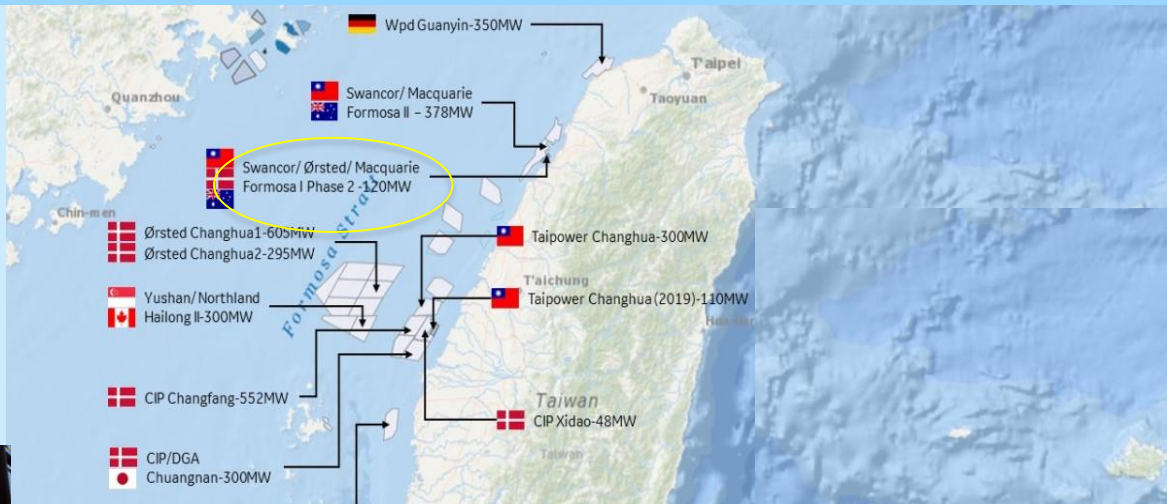
Projects in Progress & Deliveries

- ❖ **Projects in progress include:** the Johan Castberg and Karish newbuild FPSOs; Shell Vito and Whale FPU's; Transocean drill ships; Ørsted Hornsea 2 offshore wind farm substations; Norled battery-powered roll-on/roll-off passenger (ROPAX) ferries; and the MOL LNG bunker vessel.
- ❖ **In July 2019, we completed and delivered Sleipnir, the biggest and strongest semi-submersible crane vessel ever built.** Following its delivery to Heerema Offshore Contractors, the vessel with its two 10,000-tonne cranes has been in high demand for offshore installation and decommissioning jobs.
- ❖ **Estaleiro Jurong Aracruz (EJA) in Brazil handed over the P-68 FPSO to Petrobras in September 2019, successfully completing its first major project and showcasing the yard's full EPCC capability.** EJA is now executing modules fabrication and integration work for the Petrobras P-71 FPSO, and a number of repair and upgrade jobs.
- ❖ **In November 2019, we delivered the Q7000 well intervention semi-submersible rig to Helix Energy Solutions.** This vessel combines the customer's well intervention technology with our twin-pontoon hull design optimised to reach an 11.5-knot maximum transit speed – faster than any other semi-submersible rigs in the market. With its minus 20-degree-Celsius (°C) structural design temperature, Q7000 demonstrates the Group's advanced engineering solutions for deeper, colder and harsher operating environments.

Formosa 2 Offshore Wind Farm Project – Jan De Nul

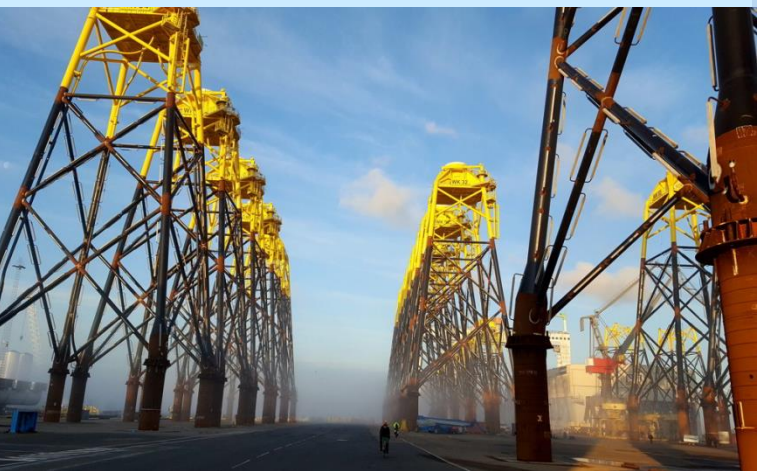
Fabrication of 15 Jacket Foundations

- **Project:** To fabricate 15 jacket foundations for the Formosa Phase 2 Offshore Wind Farm for customer Jan De Nul n.v.
- **Delivery** planned for December 2020.
- The Formosa 2 offshore wind farm is being developed off the coast of Taiwan by a joint venture between Macquarie Capital and Swancor Renewable Energy, a subsidiary of Swancor Holding.



Located 4km offshore Miaoli County in the Taiwan Strait, the 376MW Formosa 2 facility will be Taiwan's largest offshore wind farm, generating sufficient electricity for over 380,000 households when it starts operation in late 2021.

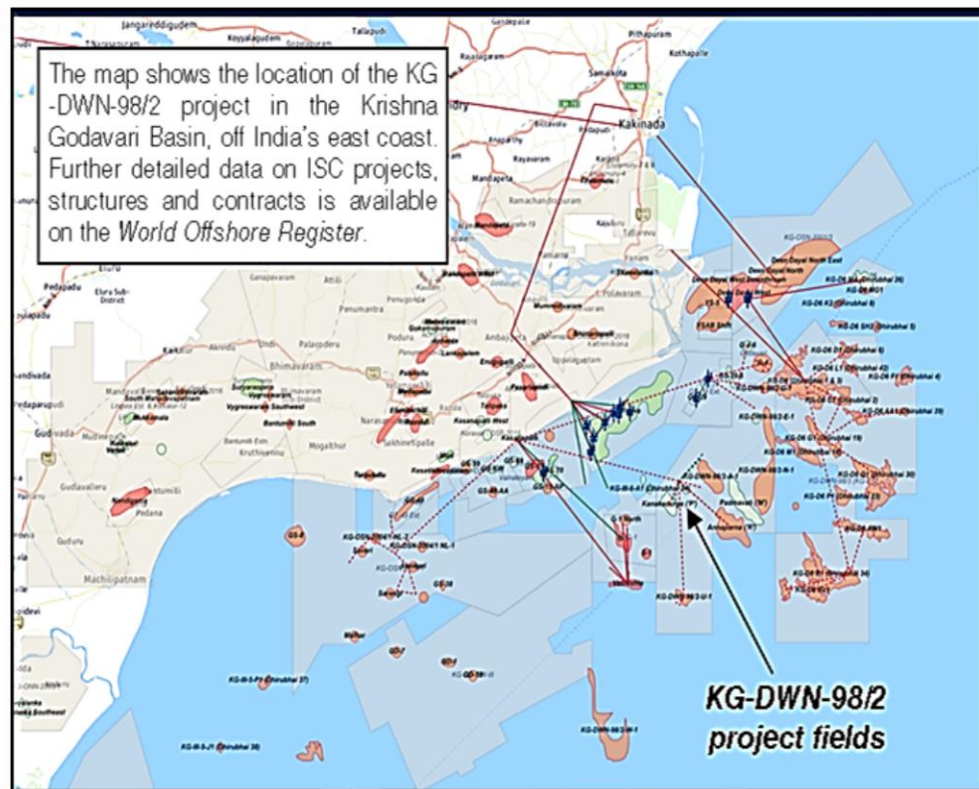
The 376MW wind farm is being built as part of the zonal development programme by the Taiwan Government, which aims to add 5.5GW of wind power to its energy mix by 2025. Taiwan's Ministry of Economic Affairs Bureau of Energy has approved three Formosa wind farm projects as part of its goal to commission more than 1,000 wind turbines by 2030.



FPSO Conversion of VLCC Ariake

FPSO conversion project with Shapoorji Pallonji and Bumi Armada

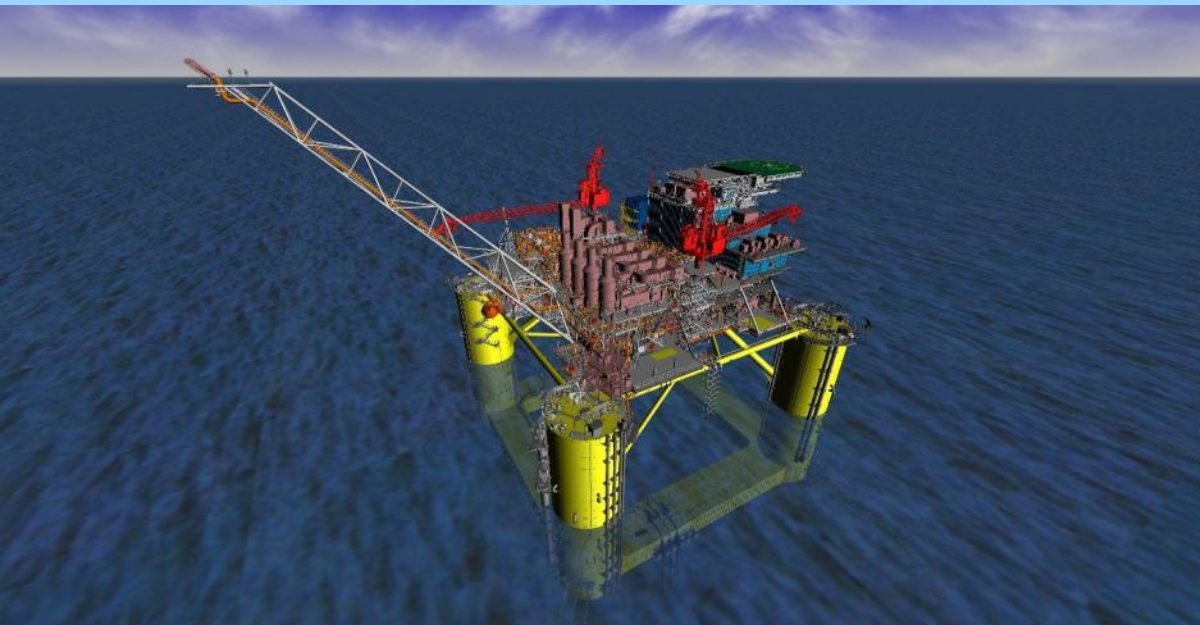
- **Project:** To convert the VLCC Ariake into an FPSO for deployment on the East Coast of India.
- **Customer:** Joint venture of Shapoorji Pallonji Oil and Gas Pte Ltd and Bumi Armada Berhad
- **Capacity:** To produce 90,000 barrels of oil per day and have a 1.3 million barrel storage facility
- **Location:** Upon completion in 2H 2021, the vessel will be deployed in the east coast of India at the Krishna Godavari Basin.



New Orders Secured in FY 2019

Shell Whale Floating Production Unit (FPU)

Construction and Integration of FPU Topside and Hull



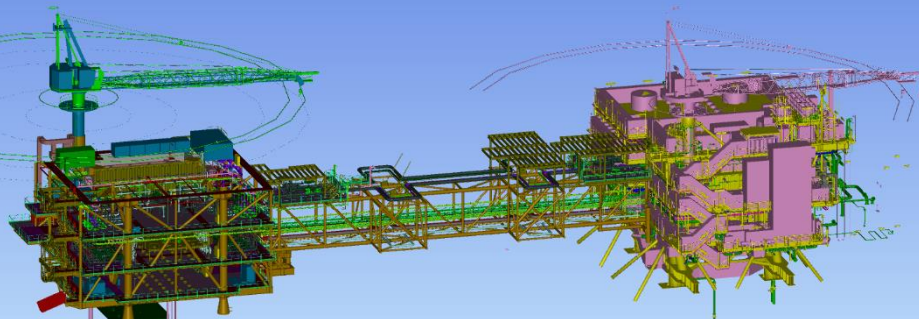
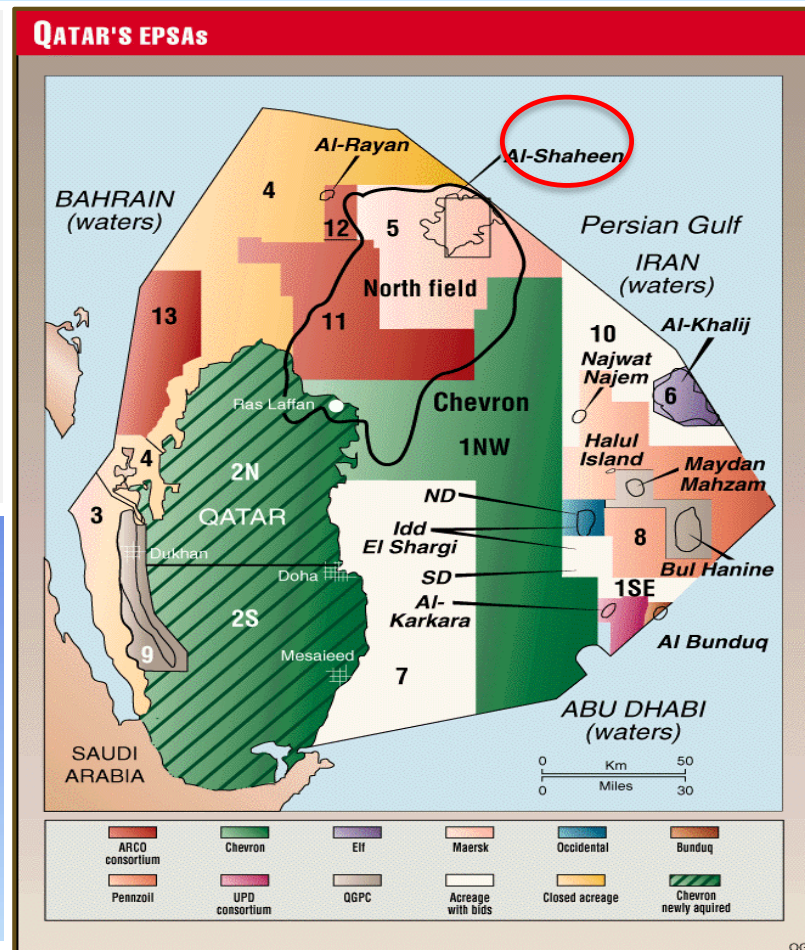
The state-of-the-art 30,000-tonne cranes at Tuas Boulevard Yard will enable the efficient assembly of the Whale FPU topside into a megablock and combine it with the hull efficiently in one single lift.

The yard's enormous lifting capacity is becoming a winning differentiator for Sembcorp Marine's project execution.

- **Project:** Sembcorp Marine Rigs & Floaters Pte. Ltd. has won a contract from Shell Offshore Inc. to build and integrate the topside and hull of a Floating Production Unit (FPU) for the Whale field in the Gulf of Mexico.
- Slated for completion in 2022, the Whale FPU comprises a topside module and a four-column semi-submersible floating hull, with a combined weight of 25,000 tonnes.
- Paves the way for the Whale FPU to move ahead and take advantage of synergies from the ongoing Shell Vito FPU, currently under construction at Sembcorp Marine's Tuas Boulevard Yard.
- **Location:** The FPU will operate in the Alaminos Canyon Block 772.

Two contracts for offshore platforms and bridges worth S\$550 million

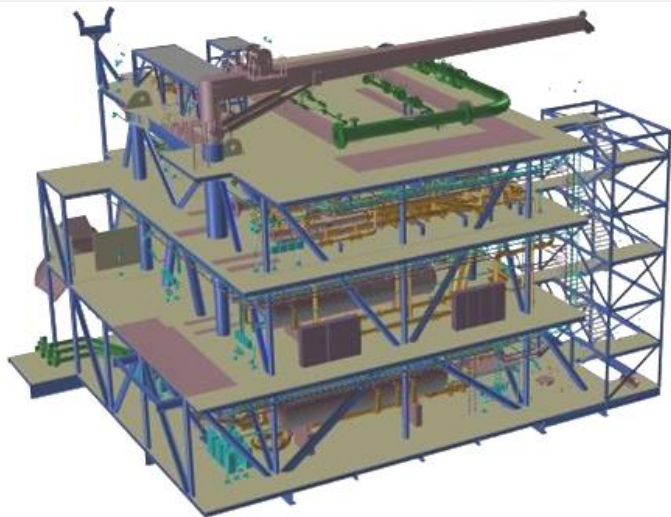
- On December 26, 2019 Sembcorp Marine Offshore Platforms (SMOP) announced it had secured 2 contracts worth S\$550 million.
- Project One:** A contract to fabricate two well-head platforms for National Oil Company (NOC) operated Al Shaheen oil field, and bridge linked to the field's existing facilities.
- The contract covers engineering, procurement, construction, installation, commissioning and offshore brownfield integration of the platforms to be started up at Al Shaheen by December 2021.
- Awarded under NOC's Gallaf Batch 2 Project, a multi-phase development to maintain Al Shaheen's production capacity at a plateau of 300,000 barrels of oil per day.



New Orders Secured in FY 2019

Tyra offshore platforms and bridges contract for Total E&P Danmark AS

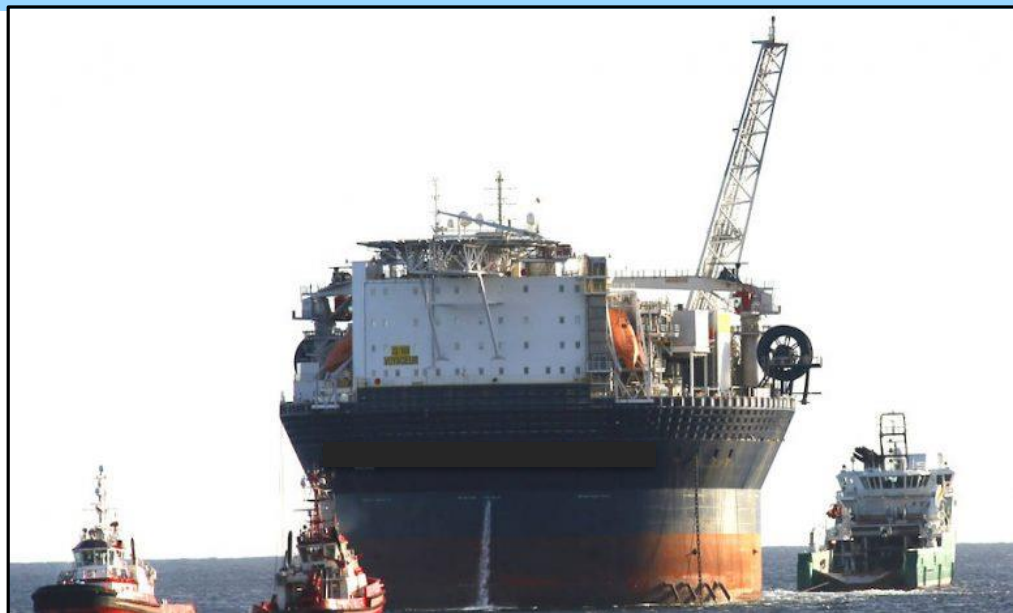
- **Project Two:** On 26 December 2019, SMOP also announced a contract to fabricate platforms and bridges for Total E&P Danmark A/S in the Tyra redevelopment project.
- To be completed in 1Q 2021, the platforms will replace ageing facilities and sustain daily outputs of 60,000 barrels of oil equivalent (BOE) at the Tyra field over the next 25 years.
- Tyra is the largest gas condensate field in the Danish sector of the North Sea with expectations that it will produce enough gas to power 1.5 million homes in Denmark.



New Orders Development

Siccar Point FEED Contract

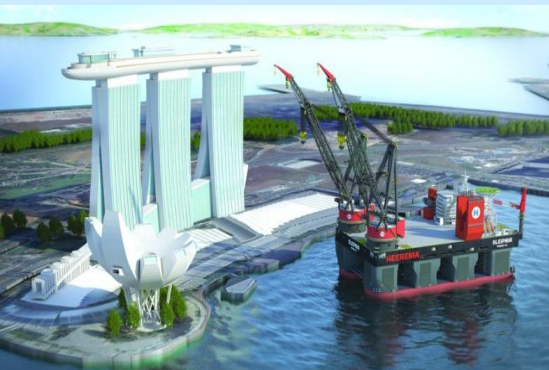
Front-End Engineering and Design (FEED) of Circular Hull FPSO Solution



- **Project:** Exclusive Front-End Engineering and Design (FEED) contract to deliver a floating production, storage and offloading (FPSO) design solution based on Sembcorp Marine's proprietary Sevan geostationary circular hull
- **Customer:** Siccar Point Energy E&P Ltd
- **Design Advantage:** Cost-effective alternative to traditional ship-shaped/turret-moored designs. Eliminates the need for a costly turret while accommodating a larger number of risers and flexibility for future tie-ins.
- **Location:** Cambo field in the UK Continental Shelf. Located 125km northwest of the Shetland Islands, the Cambo field has a water depth of 1,100m.

Rigs & Floaters – Key Deliveries

Sleipnir – World's Largest, Strongest and Most Sustainable SSCV Heerema Semi-submersible Crane Vessel Newbuild



- Biggest offshore crane vessel built to-date – 220m x 102m reinforced deck area
- Strongest crane vessel in industry – pair of revolving cranes that can lift 20,000 tonnes in a single lift; raises operational efficiency to new level in offshore energy installation & decommissioning work.
- World's first dual-fuel crane vessel, with engines running on MGO and LNG for sustainable operations across all environmental jurisdictions



Project: Engineering and construction of a newbuild semi-submersible crane vessel
Customer: Heerema Marine Contractors
Delivery: July 2019

Recent Project Deliveries

Helix Q7000

Newbuild Semi-submersible Well Intervention Vessel



Project: Construction of second newbuild semi-submersible well intervention vessel based on a design jointly developed by Sembcorp Marine and Helix

Customer: Helix Energy Solutions

Delivery: Early November 2019

Charter: First assignment in 2020 – to provide subsea services off the West African coast

Recent Project Deliveries

Petrobras P-68 FPSO

Hull carry-over works and topside modules fabrication and integration



- Significant operational milestone for wholly-owned and operated Brazil subsidiary Estaleiro Jurong Aracruz (EJA) – Completion of first floating production, storage and offloading (FPSO) project.
- FPSO has production capacity of 150,000 barrels of oil per day and 1.6-million-barrel storage capacity, with accommodation for 154 pax

Project: Fabrication and integration by Brazil yard Estaleiro Jurong Aracruz of FPSO topsides, including six modules, pipe-racks and a flare as well as execution of carry-over works on a newbuild FPSO hull built by another yard

Customer: Petrobras

Delivery: Sep 2019, deployed to ultra-deepwater Berbigão and Sururu fields in Brazil's Santos Basin

Recent Project Deliveries

Transocean Norge (ex-West Rigel) Newbuild Harsh-Environment Semi-submersible Drilling Rig



Project: Newbuild Moss Maritime CS60 design harsh environment semi-submersible drilling rig bought by Transocean and partners

Customer: Transocean and partners

Delivery: Feb 2019, secured charter from Equinor for drilling operations in Norwegian Continental Shelf

Johan Castberg Project for Equinor

Turnkey Engineering, Procurement and Construction of Newbuild FPSO Hull and Living Quarters



Project: Turnkey engineering, procurement and construction of newbuild FPSO hull and living quarters

Customer: Equinor (formerly Statoil)

Operation: Johan Castberg field development, Barents Sea, offshore Norway

Ongoing Projects – Karish FPSO

TechnipFMC Karish FPSO

EPC construction & integration of FPSO hull, living quarters & topside modules

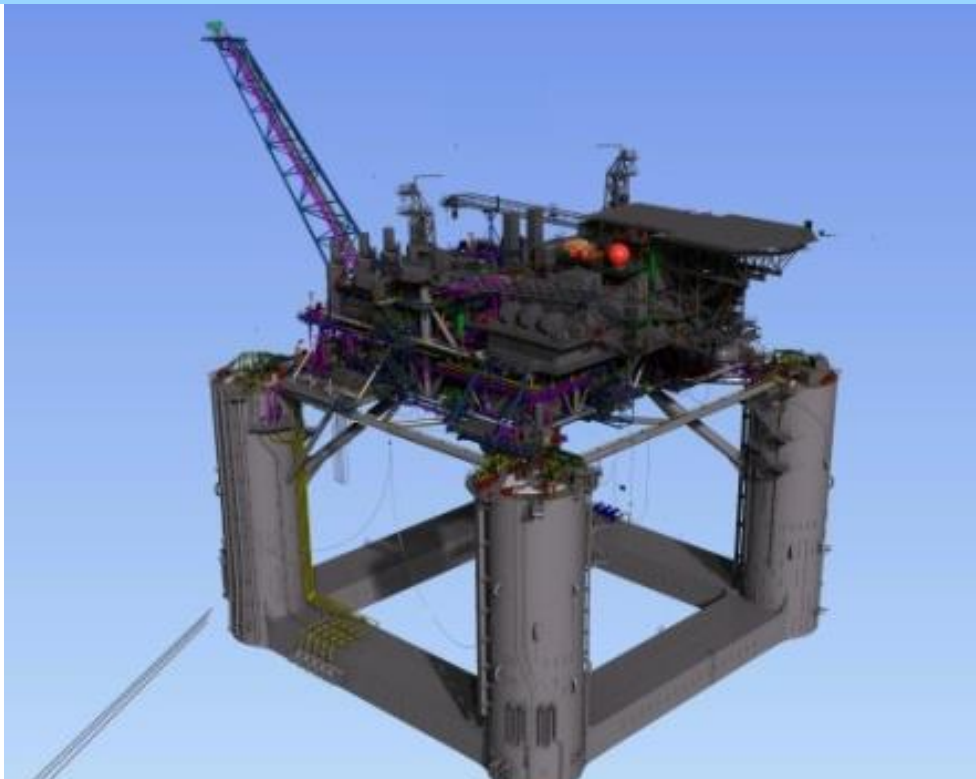


Project: EPC construction and integration of a newbuild FPSO hull, living quarters and topside modules, including owner-furnished equipment

Customer: TechnipFMC

Operation: Karish deepwater field developments in the Eastern Mediterranean

Construction and Integration of FPU Hull, Topsides and Living Quarters



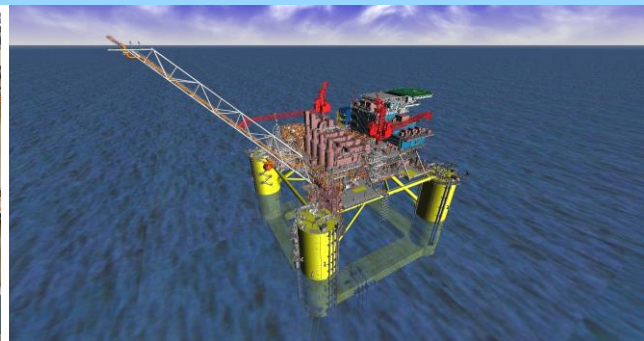
Project: Construction and integration of hull, topsides and living quarters for Shell's Vito semi-submersible Floating Production Unit (FPU), including installation of owner-furnished equipment

Customer: Shell Offshore Inc.

Operation: Mississippi Canyon, US Gulf of Mexico

Shell Whale FPU

Construction and Integration of FPU Topside and Hull – Strike Steel



Project: Building and integration of topside and hull for Shell's semi-submersible FPU

Customer: Shell Offshore Inc.

Operation: Whale Field, US Gulf of Mexico

Rigs & Floaters – Ongoing Projects

Transocean Drill Ships

Construction of Two Proprietary Design High-Specification Drill Ships

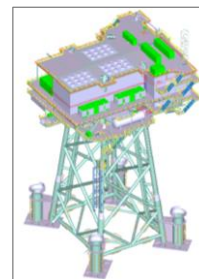


Project: Construction of two high-specification ultra-deepwater drill ships for Transocean based on Sembcorp Marine's proprietary Jurong Espadon III drillship design.

Customer: Transocean

Hornsea 2 Offshore Wind Farm Topsides

Engineering, Procurement, Construction, Hook-up and Commissioning of
Two Offshore Wind Farm Topsides



Project: Engineering, procurement, construction, hook-up and commissioning works for two topsides for Hornsea 2 Offshore Wind Farm

Customer: Ørsted Wind Power subsidiary Optimus Wind Limited

Operation: Hornsea 2 Offshore Wind Farm, UK North Sea.

Ongoing Projects – Ropax Ferries

Norled Ropax Ferries Project

Design and Construction of 3 Battery-powered Proprietary-designed Roll-on Roll-off Passenger (Ropax) Ferries



Project: Design and construction of three battery-powered ropax ferries based on a proprietary design by Sembcorp Marine's wholly-owned subsidiary LMG Marin

Customer: Norled AS

Operation: Norway

Ongoing Projects – LNG Bunker

LNG Bunker Vessel Newbuild

Design and Construction of 12,000 cbm LNG bunker vessel

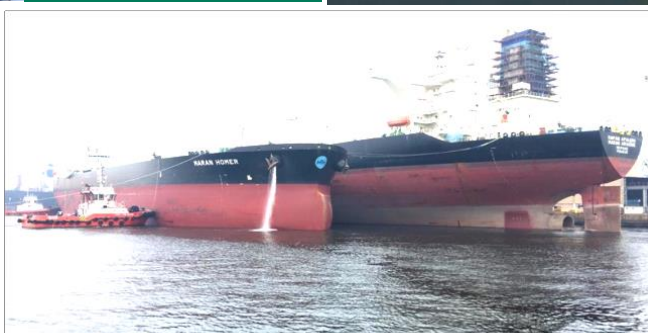


- **Project:** Design and construction of 12,000 cbm dual-fuel LNG bunker vessel with GTT Mark III Flex membrane tank system; to be the biggest vessel of its kind built in Singapore.
- **Customer:** Indah Singa Maritime Pte Ltd, a subsidiary of Mitsui O.S.K. Lines, Ltd. (MOL)
- **Operation:** Deployment in Singapore

FY 2019 REPAIRS & UPGRADES – DIVERSE MARINE & OFFSHORE PROJECTS



A wide variety of vessels calling for repairs



Scrubber retrofit projects for Maran Tankers



FSRU upgrading of BW Magna

FY 2019 REPAIRS & UPGRADES – LNG Repairs



Setting a new record with 55 LNG-related repair and upgrade jobs received in 2019 – the highest number of such contracts awarded to a single service provider in the global gas segment.

FY 2019 REPAIRS & UPGRADES – CRUISESHIPS

Retained our position as Asia's top vessel repair and upgrading company in the cruise segment, with 16 cruise ship projects secured in 2019.



Concurrent major refit and refurbishment of Norwegian Joy for Norwegian Cruise Line and Explorer Dream (ex-SuperStar Virgo) for Genting Cruise Lines



Overhaul and revitalisation of Quantum of the Seas (top) and Voyager of the Seas for Royal Caribbean Cruises



Sailaway of India's first cruise liner Karnika, owned by Jalesh Cruises



Modernisation of Celebrity Millennium for Celebrity Cruises



Major upgrade of Carnival Splendor for Carnival Cruise Line

Investing in future growth

- ❖ As the Group navigates its current business challenges, we are at the same time gearing up for the global economy's shift towards cleaner energy use, with long-term investments in innovation, technologies and expertise for developing new engineering solutions. We are also selectively adding new production capabilities, with an emphasis on optimising yard efficiency and sustainable operations.
- ❖ Although offshore oil and gas remains our key market, offshore wind as a growing sector is opening up good possibilities for the Group. To grow our order volume in this segment, we will also raise our brand awareness especially in market regions that are unfamiliar with our solutions and track record.
- ❖ We are also developing new design solutions for the battery- and hydrogen fuel cell-powered ship segments and are ready for more projects as we work towards completing three zero-emission battery-powered ROPAX ferries for Norwegian operator Norled, to be delivered in late 2020.
- ❖ Our strategy of embracing new innovation and technologies, developing future-ready capabilities and solutions will open up more opportunities for the Group. Although this implies certain functions like engineering are becoming fixed costs, the investment will boost our ability to cater for our customers' increasingly complex field developments.

- ❖ **Sembcorp Marine's new 30,000-tonne capacity gantry cranes at our flagship Tuas Boulevard Yard (TBY) will support a number of projects in 2020, including the installation of the Shell Vito FPU's 9,200-tonne assembled topside on to its hull.**
- ❖ **The 30,000-tonne cranes will greatly enhance TBYs value proposition as a one-stop production centre for fabricating, assembling and installing larger, heavier and more complex projects. Mega-structures can be completely integrated before leaving Tuas Boulevard, instead of being transported out in several smaller parts that require further assembly and which will incur more cost and logistics for customers. We believe our superior lifting capability will be a game-changing differentiator for Sembcorp Marine's project execution.**

Sharpening our sustainability focus

- ❖ On the sustainability front, TBY in 2019 replaced over 5 gigawatt hours (GWh) of grid-supplied electricity with clean energy harnessed from the solar-roof installed at our steel fabrication facility. This helps the yard avoid about 2,400 tonnes of carbon emissions (tCO₂). To reduce our carbon footprint further, we will progressively scale up the solar power generation at our Tuas Boulevard Yard.
- ❖ Sustainability achievements in 2019 also included gaining DNV GL certifications that qualified our 3D printing procedures and specifications for making and restoring parts used in construction and repair projects.
- ❖ We will strengthen our 3D printing capability with large-format metal additive manufacturing printers that allow us to custom-make more components, lower material wastage and production lead-time, and better manage Sembcorp Marine's supply chain risks by reducing our reliance on external procurement.
- ❖ Our 3D printing development will come under an advanced manufacturing lab at TBY, which we will set up soon with A*Star for test-bedding and implementing Industry 4.0-related technologies.

Sharpening our sustainability focus

- ❖ Other than 3D printing, this facility will look at integrated digital robotic systems, tracking of assets, materials and manpower through Internet of Things (IoT), as well as Virtual and Augmented Reality applications for production control and visualisation.
- ❖ We are also working with DNV GL and Nanyang Technological University to research marine electric solutions for onshore, nearshore and seagoing applications. This collaboration will help us realise zero-emission energy use in offshore and marine activities.

Empowering our workforce

- ❖ **As we continue to optimise manpower resources according to variations in work volumes, we are making sure our employees have the right type and level of skills to deliver good productivity and safety outcomes while adapting to new and disruptive technologies introduced into our operations.**
- ❖ **Ongoing competence development covers such areas as Industry 4.0 Digitalisation Readiness, Gas and Process Training, and application-based Leadership Development for middle and senior managers.**
- ❖ **Up-skilling and re-skilling are important features of Sembcorp Marine's technical competence profile that enable both our employees and resident contractors to support the widening spectrum of projects in our order book.**
- ❖ **In 2019, Sembcorp Marine's workforce did well in Workplace Safety and Health (WSH). We won 24 WSH awards from various industry bodies, including the WSH Council of Singapore. Our key safety performance indicators, Lost Time Injury Rate and Total Recorded Incidents Rate, improved 25% and 34% respectively, compared to the previous year.**

Termination of quarterly reporting

- ❖ With the SGX decision in January 2020 to discontinue the mandatory quarterly reporting (QR) requirement for most listed companies, Sembcorp Marine will accordingly cease QR from 1Q 2020 onwards and release only the Group's half-year and full-year financial results.
- ❖ However, we will continue to engage our stakeholders regularly and will publish quarterly updates on key market and industry trends as well as our contract wins, projects in progress, major company developments and other pertinent matters.
- ❖ We will also maintain our practice of announcing all material developments related to the Group as and when necessary.

Market outlook

- ❖ **Business activity levels remain low for all segments except for repairs and upgrades, which continues to improve, underpinned by IMO regulations that require installation of ballast water treatment systems and gas scrubbers.**
- ❖ **Challenges remain, in particular supply chain disruptions due to the COVID-19 virus outbreak, which could affect execution of our projects. Competition remains intense for all segments of our business. The Group expects the trend of losses to continue into 2020.**

CFO Presentation

❖ **Earnings Performance**

❖ **Financial Position**

Key highlights:

Group performance for year ended 31 December 2019:

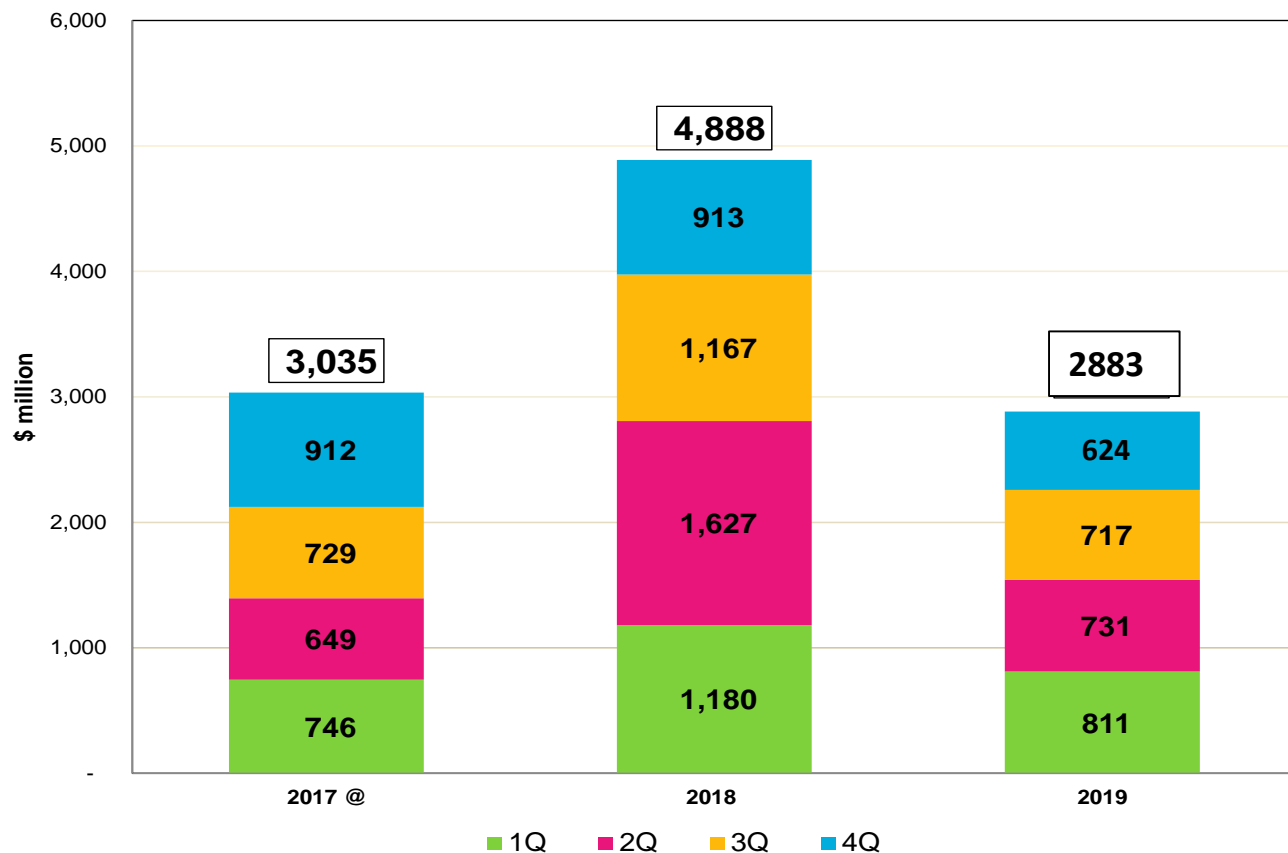
- ❖ **Turnover totalled \$2.88 billion compared with FY 2018 at \$4.89 billion.**
- ❖ **EBITDA of \$104 million.**
- ❖ **Net loss attributable to shareholders of \$137 million.**
- ❖ **Secured \$1.49 billion in new orders in 2019.**
- ❖ **Group net orderbook stands at \$2.44 billion.**

Financial Highlights

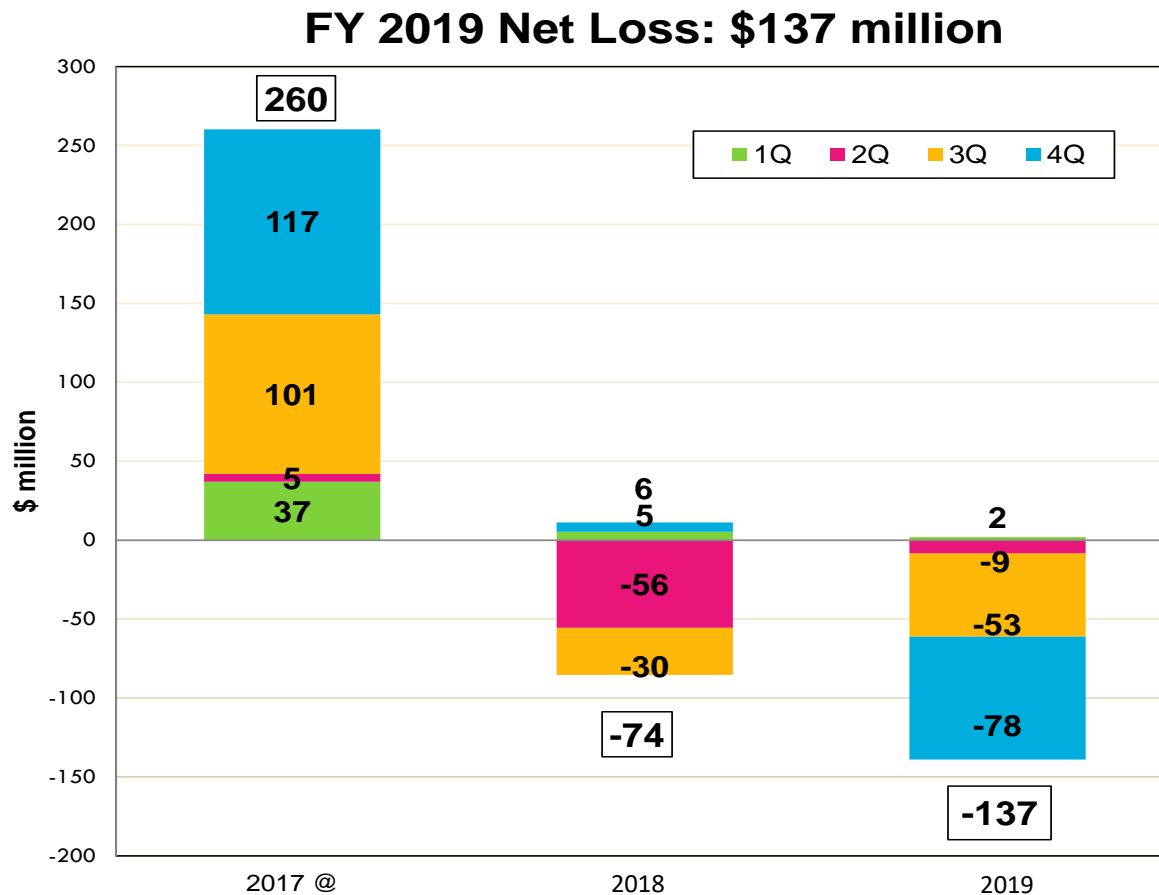
Group (S\$ million)	4Q 2019	4Q 2018	% change	FY 2019	FY 2018	% change
Turnover	624	913	(32)	2,883	4,888	(41)
Cost of sales	(696)	(893)	(22)	(2,974)	(4,885)	(39)
Gross (Loss)/ Profit	(72)	20	n.m.	(92)	3	n.m.
EBITDA	(31)	59	n.m.	104	143	(28)
Operating (Loss)/ Profit	(89)	2	n.m.	(139)	(52)	n.m.
Loss before tax	(96)	(6)	n.m.	(177)	(101)	75
Net (Loss)/ Profit	(78)	6	n.m.	(137)	(74)	85
EPS (basic) (cts)	(3.72)	0.28	n.m.	(6.57)	(3.55)	85
NAV (cts)				104.0	110.7	(6)

Financial Review: Revenue

FY 2019 Revenue: \$2.88 billion



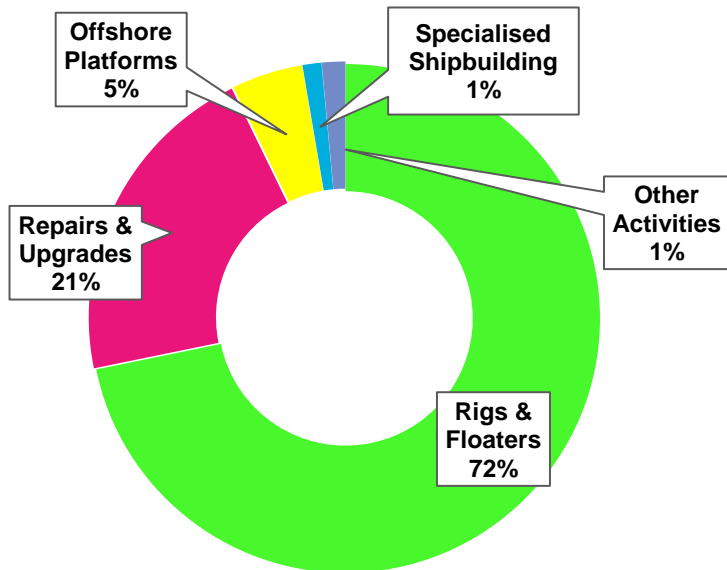
Financial Review: Net Profit/Loss



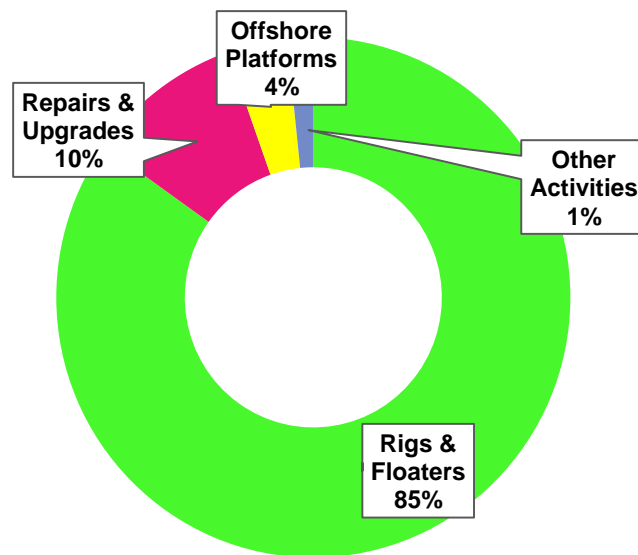
@ Adjusted on adoption of SFRS (I) on January 1, 2018.

Business Review: Turnover by Segments

FY 2019: \$2.88 billion



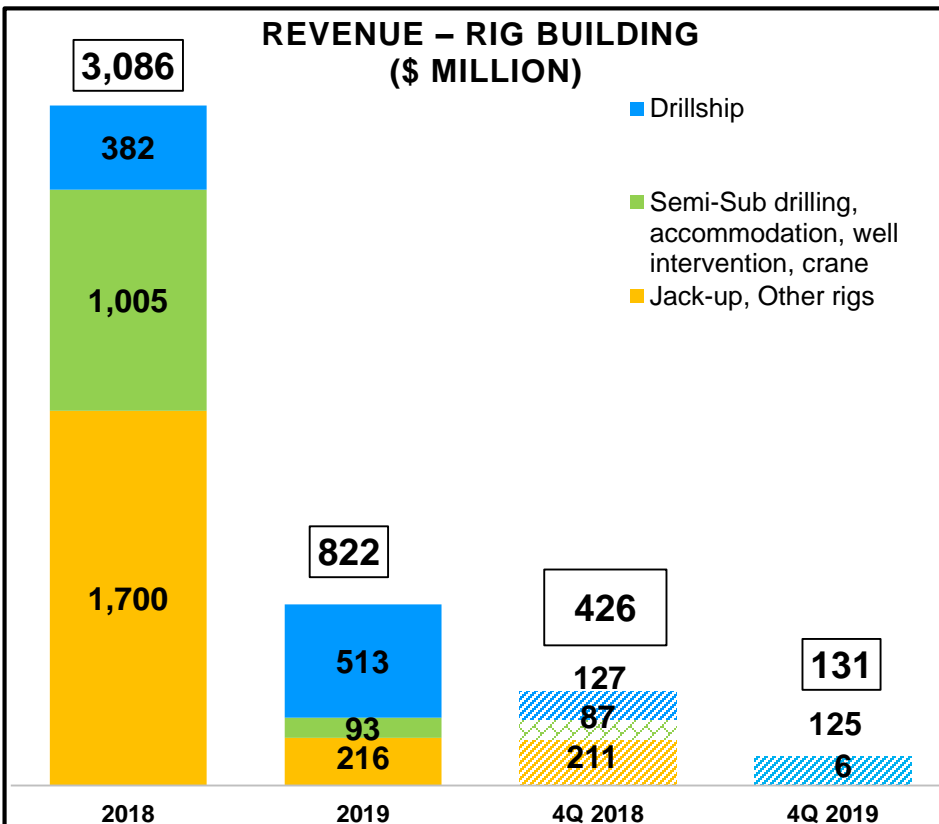
FY 2018: \$4.89 billion



Turnover (\$ million)	4Q 2019	4Q 2018	% change		FY 2019	FY 2018	% change
Rigs & Floaters	334	746	(55)		2,069	4,148	(50)
Repairs & Upgrades	214	140	53		605	476	27
Offshore Platforms	42	12	253		131	184	(29)
Specialised Shipbuilding	19	-	n.m.		35	-	n.m.
Other Activities	15	15	(4)		43	80	(46)
TOTAL	624	913	(32)		2,883	4,888	(41)

Core Business: Rig Building

Rig building revenue was \$822 million in FY 2019 (FY 2018: \$3.1 billion) on recognition of delivery of 1 jack-up rig to Borr Drilling of \$216 million, and drill ship revenue from ongoing Transocean projects of \$513 million (\$382 m in FY 2018), with semi-subs rev at \$93 million (\$1 bn in FY 2018)

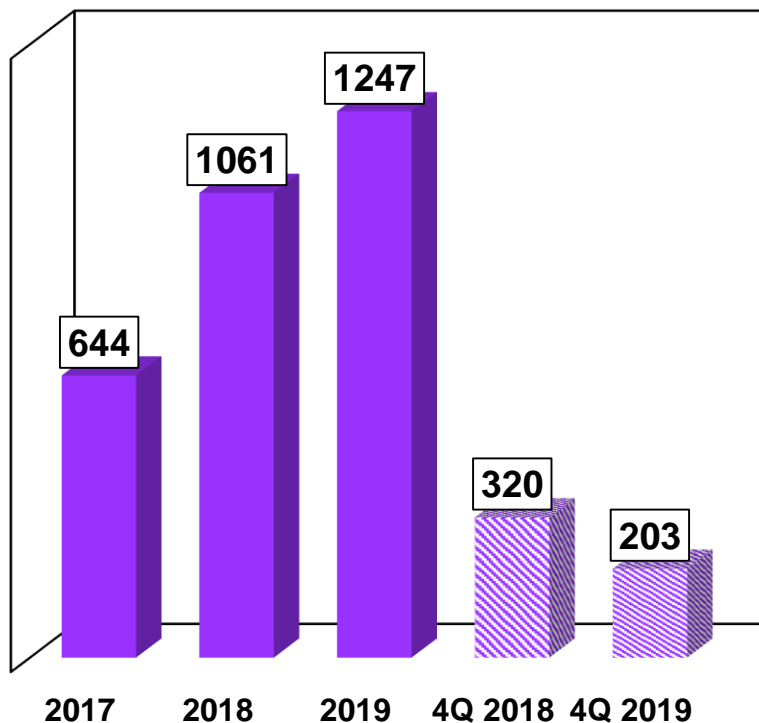


Jack-up Rigs, Semi-submersibles, Drill Ships	No. of Projects	Brief description
○ Number of jack up rigs delivered in FY 2019	1	• Borr Drilling jack-up rig P2052
○ Number of semi-subs delivered in FY 2019	1	• Heerema Offshore semi-sub crane vessel
○ Number of projects in WIP stage	2	• 1st drillship for Transocean, JE III
		• 2nd drillship for Transocean, JE III
○ Number of projects in discussion with new buyer	2	• Drill ship 1, previously owned by Sete Brasil
The new purchaser is expected to negotiate with the Group to enter into new contracts to complete the drillships.		• Drill ship 2, previously owned by Sete Brasil

Core Business: Floaters

- FY 2019 Floater revenue increased 18% to \$1.25 billion on higher percentage recognition for the Johan Castberg FPSO, Shell Vito FPU and Karish FPSO projects.

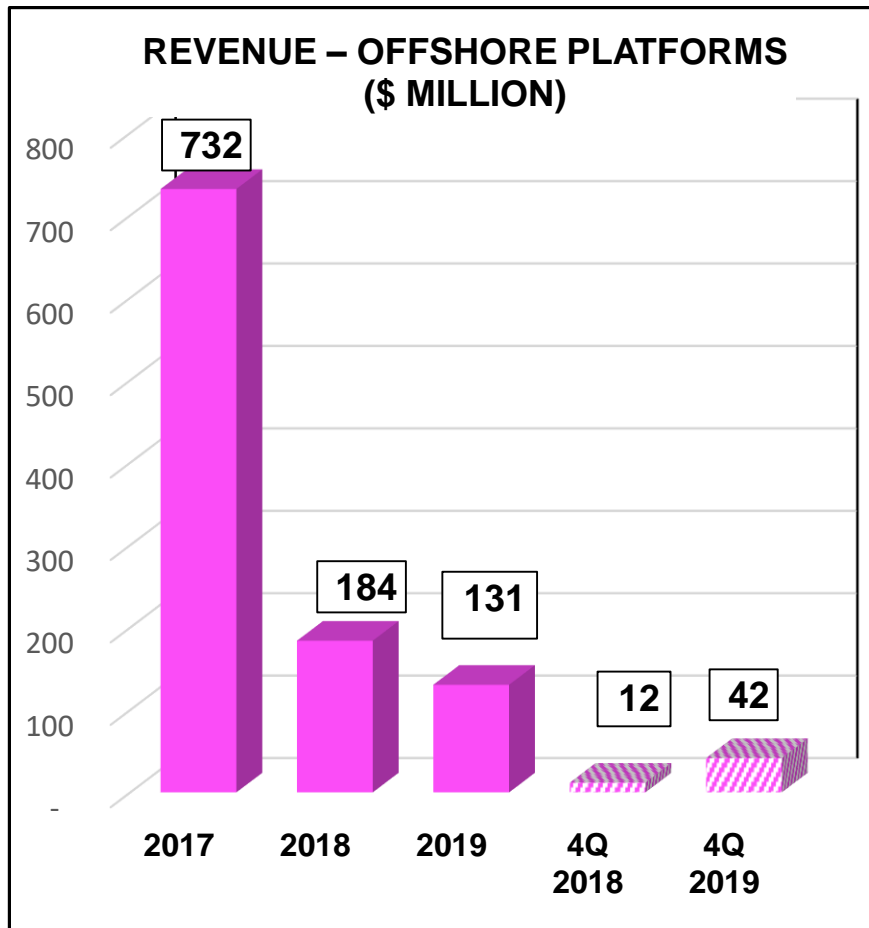
REVENUE - FLOATERS (\$ MILLION)



Offshore Floating Production Newbuildings/ Conversion	No. of projects	Brief description
○ No. of Projects delivered in FY 2019	1	• P68 FPSO for Petrobras
○ No. of projects in the WIP stage	4	• P71 FPSO for Petrobras • Equinor Johan Castberg FPSO project • Shell Vito FPU project • Karish FPSO project
○ No. of projects in the Planning stage	2	• Shapoorji FPSO project • Shell Whale FPU project

Core Business: Offshore Platforms

- Offshore Platforms revenue was \$131 million in FY 2019 on contributions from Hornsea & Tangguh projects.

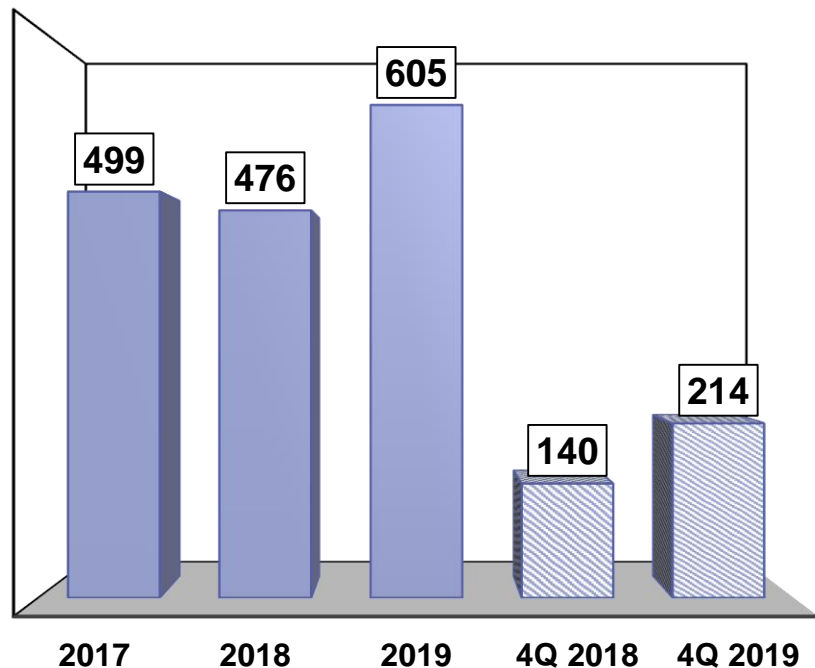


Offshore Platforms	No. of projects	Brief description
No. of projects delivered in FY 2019	Nil	
No. of projects in WIP stage	3	<ul style="list-style-type: none"> Tangguh LNG modules Hornsea II jackets Hornsea II topsides
No. of projects in Planning Stage	3	<ul style="list-style-type: none"> Formosa 2 - 15 offshore windfarm jackets foundations Tyra field wellhead platform & bridges fabrication Platform & bridges for National Oil Company at Al Shaheen oilfield (Gallaf Batch 2)

Core Business: Repairs & Upgrades

- Revenue from Repairs & Upgrades totalled \$605 million in FY 2019 (FY 2018: \$476 million), on higher average revenue per vessel due to improved vessel mix on relatively higher value works.

**REVENUE – REPAIRS & UPGRADES
(\$ MILLION)**

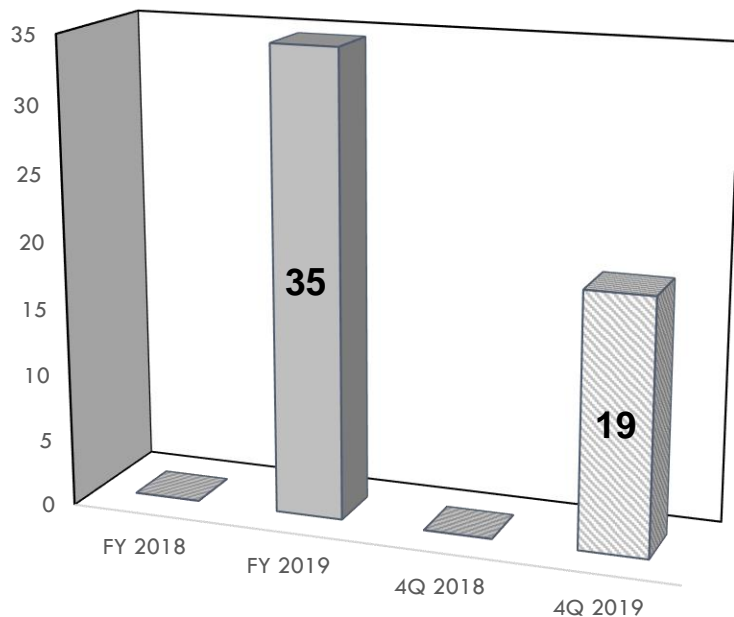


Period	FY 2019	FY 2018	% change
No of vessels repaired	280	296	(5)
Average value per vessel (\$m)	2.16	1.61	34
Total repair revenue contribution (\$m)	605	476	27

Core Business: Specialised Shipbuilding

- Maiden revenue contribution from Specialised Shipbuilding was \$35 million for FY 2019 on recognition of ongoing Ropax ferries projects.

Specialised Shipbuilding (\$ million)



Specialised Shipbuilding	No. of projects	Brief description
○ No. of projects delivered in FY 2019	Nil	
○ No. of projects in WIP stage	4	<ul style="list-style-type: none"> • Ropax ferries • LNG bunker vessel

Capital, Gearing and ROE

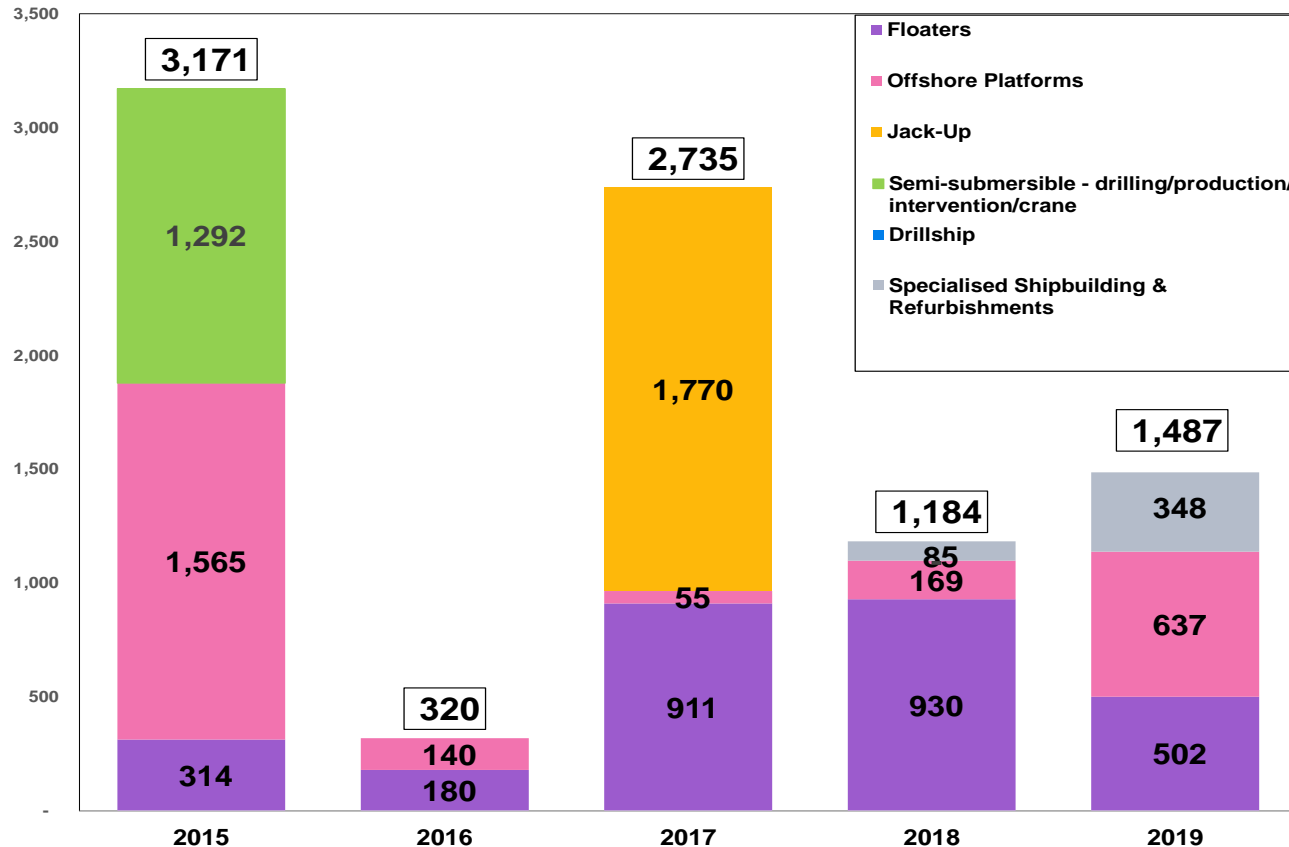
Group (\$ million)	Dec-19	Dec-18	% change
Shareholders' Funds	2,173	2,312	(6)
Net Debt	4,012	3,391	18
Net Working Capital	(310)	198	n.m.
Net gearing ratio (times) (excluding subordinated loan)	1.14	1.44	(21)
Net gearing ratio (times)	1.82	1.44	26
Interest coverage ratio (times)	0.8	1.4	(43)
ROE (%) annualised	(6.1)	(3.1)	97
ROTA (%) annualised	(0.1)	0.3	(133)
Net Asset Value (cents)	103.96	110.68	(6)

Cashflow

Group (\$ million)	4Q 2019	4Q 2018	% change	FY 2019	FY 2018	% change
Operating cashflow before working capital changes	(42)	68	n.m.	103	157	(34)
Cash used in operations	(272)	(21)	n.m.	(255)	(121)	111
Net cash used in operating activities	(279)	(16)	n.m.	(296)	(170)	74
Net cash used in investing activities (mainly Capex)	(42)	(117)	(64)	(312)	(382)	(18)
Net cash flow from financing activities	250	290	(14)	164	89	84
(Decrease)/ Increase in cash & cash equivalents	(71)	156	n.m.	(444)	(464)	(4)
Cash & cash equivalents in balance sheets				388	838	(54)
Borrowings				(4,401)	(4,229)	4
Net Debt				(4,012)	(3,391)	18

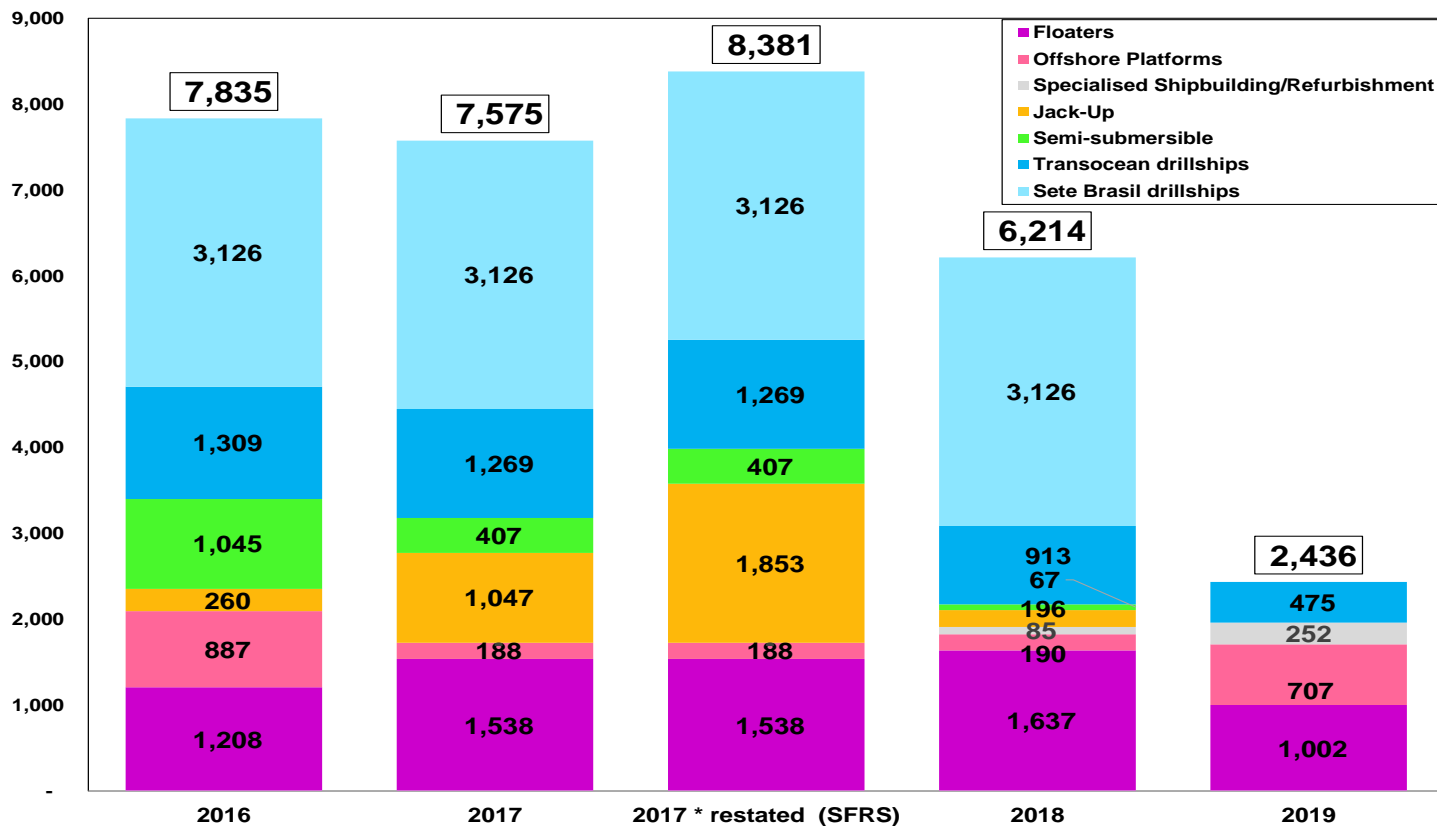
New Contracts Secured of \$1.49 billion

Contracts Secured (\$ million)



Net Order Book at \$2.44 billion

Net orderbook by Product Type



This presentation 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.



Integrated Synergies, Global Possibilities.