

OFFER INFORMATION STATEMENT DATED 14 AUGUST 2020

(Lodged with the Monetary Authority of Singapore on 14 August 2020)

THIS DOCUMENT IS IMPORTANT. BEFORE MAKING ANY INVESTMENT IN THE SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BEING OFFERED, YOU SHOULD CONSIDER THE INFORMATION PROVIDED IN THIS DOCUMENT CAREFULLY, AND CONSIDER WHETHER YOU UNDERSTAND WHAT IS DESCRIBED IN THIS DOCUMENT. YOU SHOULD ALSO CONSIDER WHETHER AN INVESTMENT IN THE SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BEING OFFERED IS SUITABLE FOR YOU, TAKING INTO ACCOUNT YOUR INVESTMENT OBJECTIVES AND RISK APPETITE. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER. YOU ARE RESPONSIBLE FOR YOUR OWN INVESTMENT CHOICES.

A copy of this offer information statement (the “**Offer Information Statement**”), together with a copy of each of the Application Form for Rights Shares and Excess Rights Shares (the “**ARE**”), the Application Form for Rights Shares (the “**ARS**”) and the Provisional Allotment Letter in respect of the Rights Issue (as defined herein) (the “**PAL**”), has been lodged with the Monetary Authority of Singapore (the “**MAS**”). The MAS assumes no responsibility for the contents of this Offer Information Statement, the ARE, the ARS and the PAL. Lodgment of this Offer Information Statement, the ARE, the ARS and the PAL with the MAS does not imply that the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”), or any other legal or regulatory requirements, have been complied with. The MAS has not, in any way, considered the merits of the Rights or the Rights Shares (each as defined herein) being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to certain conditions. The Rights Shares will be admitted to the Official List of the SGX-ST and official quotation will commence after all the conditions imposed by the SGX-ST are satisfied, the certificates for the Rights Shares have been issued and the notification letters from The Central Depository (Pte) Limited (“**CDP**”) have been despatched.

The SGX-ST assumes no responsibility for the correctness or accuracy of any of the statements made, reports contained and opinions expressed in this Offer Information Statement. Approval in-principle granted by the SGX-ST for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Rights, Sembcorp Marine Ltd (the “**Company**”), its subsidiaries (together with the Company, the “**Group**”) and/or the ordinary shares in the capital of the Company (the “**Shares**”).

This Offer Information Statement is not for distribution, directly or indirectly, in or into the United States of America (the “**U.S.**” or “**United States**”) (including its territories and possessions, any state of the United States and the District of Columbia) and is not an offer of securities for sale into the United States, Canada or Japan. The Rights and the Rights Shares referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or under the securities laws of any state of the United States and, accordingly, they may not be offered, sold, resold, granted, delivered, allotted, taken up, transferred or renounced, directly or indirectly, in the United States (as such term is defined in Regulation S under the Securities Act (“**Regulation S**”)), except pursuant to an applicable exemption from the registration requirements of the Securities Act. Accordingly, the Rights and the Rights Shares are being offered and sold only outside the United States in “offshore transactions” in reliance upon Regulation S. No public offering of securities is being made in the United States.

This Offer Information Statement is not an offer to sell or a solicitation of an offer to buy shares or other securities, including the Rights and the Rights Shares. This Offer Information Statement may not be sent to any person or any jurisdiction in which it would not be permissible to deliver the Rights and the Rights Shares or make an offer of the Rights and the Rights Shares, and the Rights and the Rights Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction. Persons to whom a copy of this Offer Information Statement has been issued shall not circulate to any other person, reproduce or otherwise distribute this Offer Information Statement or any information herein for any purpose whatsoever nor permit or cause the same to occur.

The distribution of this Offer Information Statement and/or the transfer of the Rights and the Rights Shares into jurisdictions other than Singapore may be prohibited or restricted by law. Persons into whose possession this Offer Information Statement comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Please refer to the sections “*Offering, Selling and Transfer Restrictions*” and “*Eligibility of Shareholders to Participate in the Rights Issue*”.

No Rights or Rights Shares shall be allotted or allocated on the basis of this Offer Information Statement later than six months after the date of lodgment of this Offer Information Statement.



**sembcorp
marine**

SEMBCORP MARINE LTD

(Company Registration No. 196300098Z)
(Incorporated in Singapore on 25 April 1963)

Sole Financial Adviser, Lead Manager and Underwriter



RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE OF 10,462,690,870 RIGHTS SHARES AT AN ISSUE PRICE OF S\$0.20 FOR EACH RIGHTS SHARE, ON THE BASIS OF FIVE (5) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARE HELD BY ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE RECORD DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

IMPORTANT DATES AND TIMES

Last date and time for splitting and trading of Rights : 27 August 2020 at 5.00 p.m.

Last date and time for acceptance of and payment for Rights Shares and/or application and payment for Excess Rights Shares (as defined herein) : 2 September 2020 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks (each as defined herein)⁽¹⁾)

Note:

- (1) Entitled Depositors (as defined herein), their renounees and/or Purchasers (as defined herein) (other than Foreign Purchasers (as defined herein)) who wish to accept their provisional allotments of Rights Shares and/or apply for Excess Rights Shares through an ATM of a Participating Bank should note that **Electronic Applications through ATMs of Participating Banks will not be available on Saturday, 29 August 2020 due to system maintenance.**

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IMPORTANT NOTICE

Capitalised terms used which are not otherwise defined herein shall have the same meanings as ascribed to them in the section “*Definitions*”.

For Entitled Depositors, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through CDP or by way of an Electronic Application through an ATM of a Participating Bank.

For Entitled Scripholders, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through KCK CorpServe Pte. Ltd. (the “Share Registrar”).

The existing Shares are quoted on the Main Board of the SGX-ST.

Persons wishing to purchase the Rights or subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to so purchase or subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the assets and liabilities, profits and losses, financial position and performance, and prospects of the Company and the Group and the rights and liabilities attaching to the Rights and Rights Shares. They should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of the assets and liabilities, profits and losses, financial position and performance, and prospects of the Company and the Group, as well as any bases and assumptions upon which financial projections, if any, are made or based, and their own appraisal and determination of the merits of investing in the Company and the Group. Persons in doubt as to the action they should take should consult their business, financial, legal, tax or other professional adviser before deciding whether to participate in the Rights Issue.

CPFIS Members, SRS Investors and investors who hold Shares through a finance company and/or Depository Agent should refer to the section “*Important Notice to (A) CPFIS Members, (B) SRS Investors and (C) Investors who hold Shares through a Finance Company and/or Depository Agent*” for important details relating to the offer procedure for them.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Rights Issue or the issue of the Rights Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Group or the Sole Financial Adviser, Lead Manager and Underwriter. Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future financial condition, performance, prospects or policies of the Company or the Group. Neither the delivery of this Offer Information Statement nor the issue of the Rights Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company will make an announcement of the same via SGXNET and, if required, lodge a supplementary or replacement document with the MAS. All Entitled Shareholders and their renounees should take note of any such announcement and, upon the release of such announcement or lodgment of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

The Company and the Sole Financial Adviser, Lead Manager and Underwriter make no representation to any person regarding the legality of an investment in the Rights, the Rights Shares and/or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice.

The Sole Financial Adviser, Lead Manager and Underwriter makes no representation, warranty or recommendation whatsoever as to the merits of the Rights, the Rights Issue, the Rights Shares, the Shares, the Company, the Group or any other matter related thereto or in connection therewith.

Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to accept or purchase the Rights, the Rights Shares or the Shares.

IMPORTANT NOTICE

This Offer Information Statement and the accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue, and may not be relied upon by any persons (other than Entitled Shareholders to whom it is despatched by the Company, their renounees and Purchasers) or for any other purpose.

This Offer Information Statement, including the ARE, the ARS and the PAL, may not be used for the purpose of, and do not constitute, an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Entitled Shareholders or any other persons having possession of this Offer Information Statement are advised to keep themselves informed of and observe such prohibitions and restrictions. Please refer to the section “*Offering, Selling and Transfer Restrictions*”.

The Rights and the Rights Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights or the Rights Shares or the accuracy or adequacy of this Offer Information Statement. Any representation to the contrary may be a criminal offence in the United States.

Notification under Section 309B of the SFA: The provisional allotments of Rights Shares and the Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**IMPORTANT NOTICE TO (A) CPFIS MEMBERS, (B) SRS INVESTORS AND
(C) INVESTORS WHO HOLD SHARES THROUGH A FINANCE COMPANY
AND/OR DEPOSITORY AGENT**

For CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents, acceptances of the Rights and (if applicable) applications for Excess Rights Shares must be done through their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, respectively.

ANY ACCEPTANCE AND/OR (IF APPLICABLE) APPLICATION MADE DIRECTLY BY THE ABOVE-MENTIONED PERSONS THROUGH CDP, ELECTRONIC APPLICATIONS THROUGH ATMS OF THE PARTICIPATING BANKS, THE SHARE REGISTRAR AND/OR THE COMPANY WILL BE REJECTED.

The above-mentioned persons, where applicable, will receive notification letter(s) from their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the Rights and (if applicable) applications for Excess Rights Shares to their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be.

(i) Use of CPF Funds

CPFIS Members can only use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their Rights and (if applicable) application for Excess Rights Shares.

Such CPFIS Members who wish to accept their Rights and (if applicable) apply for Excess Rights Shares using their CPF Funds must have sufficient funds in their CPF Investment Accounts and will need to instruct their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement.

In the case of insufficient CPF Funds or stock limit, CPFIS Members could top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept their Rights and (if applicable) apply for Excess Rights Shares on their behalf.

CPF Funds cannot, however, be used for the purchase of Rights directly from the market.

(ii) Use of SRS Funds

SRS Investors can only use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the acceptance of their Rights and (if applicable) application for Excess Rights Shares.

Such SRS Investors who wish to accept their Rights and (if applicable) apply for Excess Rights Shares using SRS monies will need to instruct their respective SRS Approved Banks with whom they hold their SRS accounts to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement.

SRS Investors who have insufficient funds in their SRS accounts could, subject to the SRS contribution cap, deposit cash into their SRS accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf.

SRS monies cannot, however, be used for the purchase of Rights directly from the market.

**IMPORTANT NOTICE TO (A) CPFIS MEMBERS, (B) SRS INVESTORS AND
(C) INVESTORS WHO HOLD SHARES THROUGH A FINANCE COMPANY
AND/OR DEPOSITORY AGENT**

(iii) Holdings through a Finance Company and/or Depository Agent

Investors who hold Shares through a finance company and/or Depository Agent will need to instruct their respective finance company and/or Depository Agent to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by the Company or its directors, officers or employees acting on its behalf, that are not statements of historical facts, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or are forward-looking such as, without limitation, “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, operating results, business strategies, plans and prospects are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

As there are risks (both known and unknown), uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither the Company, the Sole Financial Adviser, Lead Manager and Underwriter nor any other person represents or warrants that the Group’s actual future results, performance or achievements will be as discussed in those statements.

Further, each of the Company and the Sole Financial Adviser, Lead Manager and Underwriter disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. Where such developments, events or circumstances occur and are material, or are required to be disclosed by law and/or the SGX-ST, the Company will make an announcement via SGXNET and, if required, lodge a supplementary or replacement document with the MAS.

DEFINITIONS

For the purpose of this Offer Information Statement, the ARE, the ARS and the PAL, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

“1H”	:	The six month period ended 30 June
“2H”	:	The six month period ended 31 December
“Announcement”	:	The announcement made by the Company on 8 June 2020 relating to, <i>inter alia</i> , the Rights Issue and the SCI Distribution
“ARE”	:	Application form for Rights Shares and Excess Rights Shares issued to Entitled Depositors in respect of their Rights under the Rights Issue
“ARS”	:	Application form for Rights Shares issued to Purchasers in respect of their purchase of Rights traded on the SGX-ST through the book-entry (scripless) settlement system
“ATM”	:	Automated teller machine of a Participating Bank
“Board of Directors”	:	The board of Directors
“Borr Drilling”	:	Borr Drilling Limited and its subsidiaries
“Broker-linked Balance”	:	A sub-balance in a Securities Account that is linked to a Member Company such that the Member Company has control and rights over the securities contained in such sub-balance
“Brokerages”	:	DBS Vickers, OCBC Securities, Phillip Securities and UOB Kay Hian
“BWMS”	:	Ballast water management systems
“Cancellation”	:	Has the meaning ascribed to it in paragraph 3 of the section “ <i>Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information</i> ”
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	The circular to Shareholders dated 22 July 2020 in relation to the Rights Issue Resolution and the Whitewash Resolution
“Closing Date”	:	(i) 5.00 p.m. on 2 September 2020, being the last time and date for acceptance of and/or excess application and payment for the Rights Shares under the Rights Issue through CDP or the Share Registrar; or (ii) 9.30 p.m. on 2 September 2020, being the last time and date for acceptance of and/or excess application and payment for the Rights Shares under the Rights Issue through an ATM of a Participating Bank
“Companies Act”	:	Companies Act, Chapter 50 of Singapore, as amended or modified from time to time

DEFINITIONS

“Company” or “SCM”	:	Sembcorp Marine Ltd
“Concession Period”	:	A period of one calendar month from the date of commencement of trading of the Rights Shares
“Concessionary Brokerage Rate(s)”	:	Concessionary brokerage rate(s) for the trading in odd lots of Shares
“Constitution”	:	The Constitution of the Company
“CPF”	:	Central Provident Fund
“CPF Funds”	:	CPF investible savings
“CPF Investment Account”	:	The investment account maintained with an approved CPF agent bank for the purpose of investment of CPF Funds under the CPFIS – Ordinary Account
“CPFIS”	:	CPF Investment Scheme
“CPFIS Members”	:	Shareholders who have previously purchased Shares using their CPF Funds under their CPF Investment Accounts
“DBS Group”	:	DBS Group Holdings Ltd
“DBS Vickers”	:	DBS Vickers Securities (Singapore) Pte Ltd
“Directors”	:	The directors of the Company, as at the date of this Offer Information Statement
“EGM”	:	The extraordinary general meeting of the Company convened and held by way of electronic means at 10.00 a.m. on 11 August 2020
“Electronic Application”	:	Acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made through (i) an ATM of a Participating Bank; or (ii) the SGX-SFG Service, as the case may be, in accordance with the terms and conditions contained in this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank shall, where the Entitled Depositor is a Depository Agent, or where a Member Company is making an application in respect of a Broker-linked Balance linked to the Member Company, be taken to include an application made via the SGX-SFG Service
“Entitled Depositors”	:	Shareholders with Shares standing to the credit of their Securities Accounts as at the Record Date and (i) whose registered addresses with CDP are in Singapore as at the Record Date, or (ii) who have, at least three Market Days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents, but excluding, subject to certain exceptions, Shareholders located, resident or with a registered address outside Singapore

DEFINITIONS

“Entitled Scripholders”	:	Shareholders whose share certificates have not been deposited with CDP as well as transferees who have tendered to the Share Registrar registrable transfers of their Shares and the certificates relating thereto for registration up to the Record Date and (i) whose registered addresses with the Company are in Singapore as at the Record Date, or (ii) who have, at least three Market Days prior to the Record Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents, but excluding, subject to certain exceptions, Shareholders located, resident or with a registered address outside Singapore
“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders
“EPS”	:	Earnings/(loss) per Share
“Excess Rights Shares”	:	Rights Shares represented by the provisional allotments of Rights Shares not accepted (whether by the persons to which the Rights Shares are provisionally allotted or by the Purchasers of “nil-paid” Rights), taken up or allotted for any reason and the fractional provisional allotments of Rights Shares not allotted in accordance with the terms of the Rights Issue
“Foreign Purchasers”	:	Purchasers of the Rights whose registered addresses with CDP are outside Singapore at the time of purchase through the book-entry (scripless) settlement system
“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore as at the Record Date and who have not, at least three Market Days prior thereto, provided the Share Registrar or CDP, as the case may be, with addresses in Singapore for the service of notices and documents
“FY”	:	Financial year ended or, as the case may be, ending 31 December
“Group”	:	The Company and its subsidiaries
“GW”	:	Gigawatt
“Heliconia”	:	Heliconia Capital Management Pte. Ltd., an indirect wholly-owned subsidiary of Temasek and an independently-managed Temasek portfolio company
“HVDC”	:	High Voltage Direct Current
“IFRS”	:	International Financial Reporting Standards
“Independent Shareholders”	:	The Shareholders who are deemed to be independent for the purpose of the Whitewash Resolution, being the Shareholders other than the Temasek Concert Party Group as well as parties not independent of them
“Ineligible Shareholders”	:	Shareholders other than the Entitled Depositors and the Entitled Scripholders

DEFINITIONS

“Issue Price”	:	The issue price of the Rights Shares, being S\$0.20 for each Rights Share
“Last Trading Day”	:	3 June 2020, being the last trading day on which trades were done on the Shares prior to the Announcement
“Latest Practicable Date”	:	7 August 2020, being the latest practicable date prior to the lodgment of this Offer Information Statement
“Listing Manual”	:	The listing manual of the SGX-ST, as amended or modified from time to time
“LNG”	:	Liquefied natural gas
“Loan Repayment Date”	:	Has the meaning ascribed to it in paragraph 3 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information”</i>
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“MAS”	:	The Monetary Authority of Singapore
“Maximum Resultant Holding Scenario”	:	Has the meaning ascribed to it in the section <i>“Shareholding Limits”</i>
“Member Company”	:	A trading member of the SGX-ST
“Minimum Resultant Holding Scenario”	:	Has the meaning ascribed to it in the section <i>“Shareholding Limits”</i>
“Novation”	:	Has the meaning ascribed to it in paragraph 3 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information”</i>
“NTA”	:	Net tangible assets
“OCBC Securities”	:	OCBC Securities Private Limited
“Offer Information Statement”	:	This document, together with (where the context requires) the ARE, the ARS, the PAL and all other accompanying documents (where applicable, including any supplementary or replacement document thereof) issued by the Company and lodged with the MAS in connection with the Rights Issue
“PAL”	:	The provisional allotment letter issued to Entitled Scripholders, setting out the Rights of such Entitled Scripholders under the Rights Issue
“Participating Banks”	:	(i) DBS Bank Ltd. (including POSB), (ii) Oversea-Chinese Banking Corporation Limited and (iii) United Overseas Bank Limited
“per cent.” or “%”	:	Per centum or percentage

DEFINITIONS

“Phillip Securities”	:	Phillip Securities Pte Ltd
“Purchaser”	:	A purchaser of the Rights traded on the SGX-ST through the book-entry (scripless) settlement system
“Record Date”	:	5.00 p.m. on 14 August 2020, being the time and date at and on which the Register of Members and the Share Transfer Books of the Company will be closed to determine the Rights of Entitled Shareholders under the Rights Issue
“Regulation S”	:	Regulation S under the Securities Act
“Relevant Persons”	:	The Participating Banks, the Share Registrar, Securities Clearing and Computer Services (Pte) Limited, CDP, CPF Board, the SGX-ST, the Company, the Sole Financial Adviser, Lead Manager and Underwriter or any of their affiliates or any persons acting on their behalf
“Relevant Temasek Entity(ies)”	:	The Temasek Company(ies) that will be subscribing for the Underwritten Rights Shares on the terms and subject to the conditions of the Sub-Underwriting Agreement
“Rigel Technology”	:	Rigel Technology (S) Pte Ltd, an associated company of Heliconia
“Rights”	:	Provisional allotments of Rights Shares, being rights to subscribe for five (5) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded
“Rights Issue”	:	The renounceable underwritten rights issue by the Company of 10,462,690,870 Rights Shares, at the Issue Price, on the basis of five (5) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded, on the terms and conditions of this Offer Information Statement
“Rights Issue Conditions”	:	Has the meaning ascribed to it in paragraph 3 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information”</i>
“Rights Issue Resolution”	:	The resolution passed at the EGM to approve the issue of Rights Shares pursuant to the Rights Issue
“Rights Shares”	:	The new Shares to be allotted and issued by the Company pursuant to the Rights Issue
“ROPAX”	:	Roll on/roll off passenger ship
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“SCI”	:	Sembcorp Industries Ltd, the holding company of the Company
“SCI 2019 Bondholders”	:	The holders of the SCI 2019 Bonds

DEFINITIONS

“SCI 2019 Bonds”	:	The S\$1.5 billion 3.55 per cent. guaranteed bonds due 2024 which were issued by SFS in 2019
“SCI Circular”	:	The circular to SCI Shareholders dated 22 July 2020 in relation to the SCI Distribution
“SCI Distribution”	:	The proposed distribution <i>in specie</i> of up to all of the Shares held by SCI to SCI Entitled Shareholders on a <i>pro rata</i> basis to be undertaken after the completion of the Rights Issue, details of which are set out in paragraph 5 of the section “ <i>Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 7 – Additional Information</i> ”
“SCI Distribution Record Date”	:	The time and date to be determined by the board of directors of SCI for the purposes of determining SCI Shareholders’ entitlements under the SCI Distribution
“SCI Distribution Resolution”	:	The resolution passed at the SCI EGM to approve the SCI Distribution
“SCI EGM”	:	The extraordinary general meeting of SCI held on 11 August 2020
“SCI Entitled Shareholders”	:	SCI Shareholders who hold SCI Shares as at the SCI Distribution Record Date and who will be entitled to the SCI Distribution
“SCI Excess Rights Shares”	:	Up to 1,128,646,180 Excess Rights Shares required to be subscribed for by SCI pursuant to the SCI Undertaking Agreement
“SCI Existing Shareholding”	:	Has the meaning ascribed to it in paragraph 7 of the section “ <i>Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing</i> ”
“SCI Pro Rata Rights Shares”	:	SCI’s <i>pro rata</i> entitlement under the Rights Issue in relation to the SCI Existing Shareholding, being 6,371,353,820 Rights Shares
“SCI Shareholders”	:	Shareholders of SCI
“SCI Shares”	:	Ordinary shares in the capital of SCI
“SCI Undertaken Rights Shares”	:	Up to 7,500,000,000 Rights Shares which SCI has undertaken to subscribe and pay for pursuant to the SCI Undertaking Agreement, comprising the SCI <i>Pro Rata</i> Rights Shares and the SCI Excess Rights Shares
“SCI Undertaken Rights Shares Subscription Amount”	:	The aggregate price payable by SCI for the SCI <i>Pro Rata</i> Rights Shares and any SCI Excess Rights Shares

DEFINITIONS

“SCI Undertaking Agreement”	:	The undertaking agreement dated 8 June 2020 entered into between SCI and the Company, details of which are set out in paragraph 7 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing”</i>
“SCM PSP 2010”	:	The Sembcorp Marine Performance Share Plan 2010 approved and adopted by the Shareholders on 20 April 2010
“SCM RSP 2010”	:	The Sembcorp Marine Restricted Share Plan 2010 approved and adopted by the Shareholders on 20 April 2010
“Securities Account”	:	Securities account maintained by a Depositor with CDP (but does not include a securities sub-account)
“Securities Act”	:	The U.S. Securities Act of 1933, as amended
“Sete Group”	:	Sete Brasil and its subsidiaries
“SFA”	:	Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
“SFRS(I)”	:	Singapore Financial Reporting Standards (International)
“SFS”	:	Sembcorp Financial Services Pte. Ltd., a subsidiary of SCI
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	KCK CorpServe Pte. Ltd.
“Shareholders”	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
“Shares”	:	The ordinary shares in the capital of the Company
“Shell”	:	Shell Offshore Inc.
“SIC”	:	Securities Industry Council
“SIC Conditions”	:	Has the meaning ascribed to it in the section <i>“Shareholding Limits”</i>
“Singapore”	:	The Republic of Singapore
“SMFS”	:	Sembcorp Marine Financial Services Pte. Ltd., a wholly-owned subsidiary of the Company
“Sole Financial Adviser, Lead Manager and Underwriter”	:	DBS Bank Ltd.

DEFINITIONS

“SRS”	:	Supplementary Retirement Scheme
“SRS Approved Banks”	:	Approved banks with whom SRS Investors hold their accounts under the SRS
“SRS Investors”	:	Investors who have previously purchased Shares under the SRS
“Startree”	:	Startree Investments Pte. Ltd., a wholly-owned subsidiary of Temasek
“Statoil”	:	Statoil Petroleum AS
“Sub-Underwriting Agreement”	:	The sub-underwriting agreement dated 8 June 2020 entered into between Startree and the Sole Financial Adviser, Lead Manager and Underwriter, details of which are set out in paragraph 7 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing”</i>
“Subordinated Credit Facility”	:	The subordinated credit facility granted to SMFS by SFS in June 2019 (as supplemented and amended from time to time, including by the Subordinated Credit Facility Deed of Amendment), details of which are set out in paragraph 3 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information”</i>
“Subordinated Credit Facility Deed of Amendment”	:	The deed of amendment dated 8 June 2020 entered into by SCI, SFS, the Company and SMFS to facilitate the set off arrangements in respect of SCI’s subscription and payment in full for the SCI Undertaken Rights Shares pursuant to the terms of the SCI Undertaking Agreement and the separation of the Company from SCI and its subsidiaries following the SCI Distribution, details of which are set out in paragraph 3 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information”</i>
“Subordinated Loan”	:	The five-year subordinated loan of S\$2 billion pursuant to the Subordinated Credit Facility, of which S\$1.5 billion has been drawn down as at the Latest Practicable Date, details of which are set out in paragraph 3 of the section <i>“Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information”</i>
“Substantial Shareholder”	:	A person who has an interest or interests in one or more voting shares in the Company and the total votes attached to that voting share, or those voting shares, is not less than five per cent. of the total votes attached to all the voting shares in the Company (excluding treasury shares)
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time

DEFINITIONS

“ Temasek ”	:	Temasek Holdings (Private) Limited
“ Temasek Companies ”	:	Temasek’s direct and indirect wholly-owned subsidiaries whose boards of directors or equivalent governing bodies comprise employees or nominees of (i) Temasek; (ii) TPL; and/or (iii) wholly-owned subsidiaries of TPL
“ Temasek Concert Party Group ”	:	Temasek and parties acting in concert with it in relation to the SCI Distribution, including SCI
“ TERP ”	:	Theoretical ex-rights price
“ TPL ”	:	Temasek Pte Ltd
“ Transaction ”	:	The Rights Issue and the SCI Distribution
“ Underwriting and Management Agreement ”	:	The underwriting and management agreement dated 8 June 2020 entered into between the Company and the Sole Financial Adviser, Lead Manager and Underwriter in relation to the Rights Issue, the details of which are set out in paragraph 7 of the section “ <i>Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing</i> ”
“ Underwritten Rights Shares ”	:	Based on the Rights Issue size of 10,462,690,870 Rights Shares, up to 2,962,690,870 Rights Shares (which excludes the SCI Undertaken Rights Shares) which the Sole Financial Adviser, Lead Manager and Underwriter has agreed to underwrite at the Issue Price on the terms and subject to the conditions of the Underwriting and Management Agreement
“ Unit Share Market ”	:	The unit share market of the SGX-ST which allows trading of shares in single shares
“ United States ” or “ U.S. ”	:	The United States of America
“ UOB Kay Hian ”	:	UOB Kay Hian Private Limited
“ US\$ ”	:	United States dollars
“ VWAP ”	:	Volume weighted average price
“ Whitewash Resolution ”	:	Has the meaning ascribed to it in the section “ <i>Shareholding Limits</i> ”
“ Whitewash Waiver ”	:	Has the meaning ascribed to it in the section “ <i>Shareholding Limits</i> ”

In this Offer Information Statement, references to “**we**”, “**our**” and “**us**” mean, as the context requires, Sembcorp Marine Ltd on an unconsolidated basis or Sembcorp Marine Ltd and its subsidiaries on a consolidated basis. References to the “**Company**” or “**SCM**” are to Sembcorp Marine Ltd on an unconsolidated basis and references to the “**Group**” are to Sembcorp Marine Ltd and its subsidiaries on a consolidated basis.

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

DEFINITIONS

The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

The terms “**acting in concert**”, “**concert parties**” and “**effective control**” shall have the meanings ascribed to them respectively in the Take-over Code.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*.

References to persons shall include corporations.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment as for the time being amended, modified or re-enacted. Any word defined under the Companies Act, the SFA, the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018, the Listing Manual, the Take-over Code, or any amendment or modification thereof and not otherwise defined in this Offer Information Statement shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018, the Listing Manual, the Take-over Code, or such amendment or modification thereof, as the case may be.

Any reference to a time of day and dates in this Offer Information Statement shall be a reference to Singapore time and dates unless otherwise stated.

Any discrepancies in figures included in this Offer Information Statement between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Information Statement may not be an arithmetic aggregation of the figures that precede them.

Where applicable, figures and percentages used in this Offer Information Statement have been rounded to one decimal place for ease of reading.

Any reference to a website or any website directly or indirectly linked to such websites in this Offer Information Statement is not incorporated by reference into this Offer Information Statement and should not be relied upon.

INDICATIVE TIMETABLE OF KEY EVENTS

The timetable below lists certain important dates and times relating to the Rights Issue. All dates and times referred to below are Singapore dates and times.

Lodgment of this Offer Information Statement and accompanying application forms with the MAS	:	Friday, 14 August 2020
Record Date	:	Friday, 14 August 2020 at 5.00 p.m.
Despatch of this Offer Information Statement (together with the ARE or the PAL, as the case may be) to Entitled Shareholders	:	Wednesday, 19 August 2020
Commencement of trading of Rights	:	Wednesday, 19 August 2020 from 9.00 a.m.
First date and time for acceptance of and payment for Rights Shares and/or application and payment for Excess Rights Shares ⁽¹⁾	:	Wednesday, 19 August 2020 (9.00 a.m. for Electronic Applications through ATMs of the Participating Banks)
Last date and time for splitting and trading of Rights	:	Thursday, 27 August 2020 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares and/or application and payment for Excess Rights Shares ^{(1), (2)}	:	Wednesday, 2 September 2020 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks)
Last date and time for renunciation of and payment for Rights Shares ^{(1), (2)}	:	Wednesday, 2 September 2020 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks)
Expected date of issuance of Rights Shares	:	Friday, 11 September 2020
Expected date of commencement of trading of Rights Shares	:	Friday, 11 September 2020
Expected date for refund of unsuccessful applications (if made through CDP)	:	Friday, 11 September 2020

Notes:

- (1) Entitled Depositors, their renounees and/or Purchasers (other than Foreign Purchasers) who wish to accept their provisional allotments of Rights Shares and/or apply for Excess Rights Shares through an ATM of a Participating Bank should note that **Electronic Applications through ATMs of Participating Banks will not be available on Saturday, 29 August 2020 due to system maintenance.**
- (2) This does not apply to CPFIS Members, SRS Investors and investors who hold Shares through a finance company and/or Depository Agent. CPFIS Members, SRS Investors and investors who hold Shares through a finance company and/or Depository Agent should see the section "*Important Notice to (A) CPFIS Members, (B) SRS Investors and (C) Investors who hold Shares through a Finance Company and/or Depository Agent*". Any acceptance and/or (if applicable) application made by these investors directly through CDP, ATMs of a Participating Bank, the Share Registrar and/or the Company will be rejected. Such investors, where applicable, will receive notification letter(s) from their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be.

The above timetable is indicative only and is subject to change. As at the date of this Offer Information Statement, the Company does not expect the above timetable to be modified. However, the Company may, in consultation with the Sole Financial Adviser, Lead Manager and Underwriter and with the approval of the SGX-ST and/or CDP, modify the above timetable subject to any limitation under any applicable laws. In such an event, the Company will publicly announce the same through a SGXNET announcement to be posted on the internet at the SGX-ST's website <http://www.sgx.com>.

SUMMARY OF THE RIGHTS ISSUE

The following is a summary of the principal terms and conditions of the Rights Issue and is derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

Basis of Provisional Allotment : The Rights Issue is made on a renounceable underwritten basis to Entitled Shareholders on the basis of five (5) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.

Issue Price : S\$0.20 for each Rights Share. The Rights Shares are payable in full upon acceptance and/or application¹.

Discount : The Issue Price represents a discount of approximately:

- (i) 31.0 per cent. to the TERP of S\$0.290² per Share as calculated based on the VWAP of the Shares on the Main Board of the SGX-ST over the five-day period up to and including the Last Trading Day of S\$0.740³;
- (ii) 35.1 per cent. to the TERP of S\$0.308⁴ per Share as calculated based on the last transacted price of the Shares on the Main Board of the SGX-ST on the Last Trading Day of S\$0.850; and
- (iii) 76.5 per cent. to the last transacted price of the Shares on the Main Board of the SGX-ST on the Last Trading Day of S\$0.850.

The Issue Price and discounts have been determined after taking into account precedent transactions, the transaction size and discussions with the Sole Financial Adviser, Lead Manager and Underwriter.

Status of Rights Shares : The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Rights Shares.

Number of Rights Shares to be Issued : Based on the issued share capital (excluding treasury shares) of the Company as at the Latest Practicable Date of 2,092,538,174 Shares, the Company will allot and issue 10,462,690,870 Rights Shares under the Rights Issue.

¹ SCI's obligation to pay the SCI Undertaken Rights Shares Subscription Amount shall be set off against an equivalent amount of the principal amount outstanding and due and owing to SCI by the Company under the Subordinated Credit Facility following the Novation, as further described in paragraph 7 of the section "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing".

² Such TERP is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the VWAP of the Shares on the Main Board of the SGX-ST over the five-day period up to and including the Last Trading Day of S\$0.740, and the number of Shares following the completion of the Rights Issue.

³ The Issue Price represents a discount of approximately 73.0 per cent. to the VWAP of the Shares on the Main Board of the SGX-ST over the five-day period up to and including the Last Trading Day of S\$0.740.

⁴ Such TERP is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the last transacted price of the Shares on the Main Board of the SGX-ST on the Last Trading Day of S\$0.850, and the number of Shares following the completion of the Rights Issue.

SUMMARY OF THE RIGHTS ISSUE

As a result of the entry into the SCI Undertaking Agreement, the Underwriting and Management Agreement and the Sub-Underwriting Agreement, the Rights Issue is effectively fully underwritten and all of the Rights Shares to be allotted and issued by the Company under the Rights Issue will be fully subscribed and paid for.

Gross Proceeds from the Rights Issue : The estimated amount of the gross proceeds from the Rights Issue is approximately S\$2.1 billion.

Use of Proceeds : The estimated net proceeds from the Rights Issue (after deducting estimated expenses of approximately S\$9.0 million to be incurred in connection with the Rights Issue) are expected to be approximately S\$2.1 billion.

The Company intends to utilise S\$1.5 billion (or approximately 72%) of the net proceeds from the Rights Issue to repay (including by way of set off) the outstanding principal of S\$1.5 billion under the Subordinated Credit Facility, with the remaining S\$0.6 billion (or approximately 28%) of the net proceeds from the Rights Issue to be used for working capital and general corporate purposes, including debt servicing (which may in turn include payments related to the Subordinated Credit Facility such as intercompany loan fee and loan interest).

Eligibility to Participate in the Rights Issue : As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the sections “*Offering, Selling and Transfer Restrictions*” and “*Eligibility of Shareholders to Participate in the Rights Issue*” for details on the eligibility of Shareholders to participate in the Rights Issue.

Listing and Trading of the Rights Shares : On 22 July 2020, the SGX-ST granted approval in-principle for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to certain conditions. The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Rights, the Company, its subsidiaries and/or the Shares.

Upon the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, the Rights Shares will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) in relation to the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP’s “*Terms and Conditions for Operation of Securities Account with The Central Depository (Pte) Limited*”, as the same may be amended from time to time, copies of which are available from CDP.

For the purposes of trading on the Main Board of the SGX-ST, each board lot of Shares will comprise 100 Shares. Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) are able to trade odd lots of Shares in board lots of one Share on the Unit Share Market. Shareholders who hold odd lots of Shares may have difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Shares.

SUMMARY OF THE RIGHTS ISSUE

In this regard, the Brokerages will be offering Concessionary Brokerage Rates for the trading in odd lots of Shares for the Concession Period.

The brokerage fee payable by those who trade on the Unit Share Market during the Concession Period through the Brokerages are as follows:

	DBS Vickers	OCBC Securities	Phillip Securities	UOB Kay Hian
Minimum brokerage fee, provided the number of Shares traded in aggregate does not exceed 99 Shares in a single day	S\$5.00 per contract (via a broker).	S\$15.00 per contract (via a broker).	S\$5.00 per contract (via POEMS). S\$10.00 per contract (via a broker).	S\$5.00 per contract (via a broker).

For trades of 100 Shares or more in aggregate in a single day, the usual brokerage fee applies. After the Concession Period, Shareholders who hold odd lots of Shares can continue to trade in odd lots on the Unit Share Market and the Concessionary Brokerage Rate will no longer be applicable to any trades of the Shares in odd lots undertaken via the Brokerages.

Shareholders should note that notwithstanding the Concessionary Brokerage Rate for trades executed on the Unit Share Market during the Concession Period, they will be required to continue to bear clearing fees and other regular trading fees imposed by the SGX-ST (including any goods and services tax relating to such fees), which shall be based on customary rates imposed from time to time.

Acceptance, Excess Application : and Payment

Entitled Shareholders are at liberty to accept, decline or renounce their Rights and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Depositors are also able to trade their Rights on the SGX-ST during the Rights trading period prescribed by the SGX-ST.

Fractional entitlements to the Rights Shares will be aggregated and used with provisional allotments which are not taken up or allotted for any reason to satisfy excess applications for Rights Shares (if any) or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders (including SCI with respect to the SCI Excess Rights Shares) who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

SUMMARY OF THE RIGHTS ISSUE

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the Rights and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices A, B and C to this Offer Information Statement and in the ARE, the ARS and the PAL⁵.

Use of CPF Funds

: CPFIS Members can only use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their Rights and (if applicable) application for Excess Rights Shares.

Such CPFIS Members who wish to accept their Rights and (if applicable) apply for Excess Rights Shares using their CPF Funds must have sufficient funds in their CPF Investment Accounts and will need to instruct their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions of this Offer Information Statement.

In the case of insufficient CPF Funds or stock limit, CPFIS Members could top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept their Rights and (if applicable) apply for Excess Rights Shares on their behalf.

CPF Funds cannot, however, be used for the purchase of Rights directly from the market.

Use of SRS Funds

: SRS Investors can only use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the acceptance of their Rights and (if applicable) application for Excess Rights Shares.

Such SRS Investors who wish to accept their Rights and (if applicable) apply for Excess Rights Shares using their SRS monies will need to instruct their respective SRS Approved Banks with whom they hold their SRS accounts, to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement.

SRS Investors who have insufficient funds in their SRS accounts could, subject to the SRS contribution cap, deposit cash into their SRS accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to accept the Rights and (if applicable) apply for Excess Rights Shares on their behalf.

SRS monies cannot, however, be used for the purchase of Rights directly from the market.

⁵ SCI's obligation to pay the SCI Undertaken Rights Shares Subscription Amount shall be set off against an equivalent amount of the principal amount outstanding and due and owing to SCI by the Company under the Subordinated Credit Facility following the Novation, as further described in paragraph 7 of the section "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing".

SUMMARY OF THE RIGHTS ISSUE

- SCI Undertaking Agreement** : Please refer to paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*” for further details of the terms of the SCI Undertaking Agreement.
- Underwriting** : The Rights Issue will be underwritten. Please refer to paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*” for further details.
- Governing Law** : Laws of Singapore.
- Risk Factors** : Investing in the Rights and the Rights Shares involves risks. Please refer to the section “*Risk Factors*” for further information.

RISK FACTORS

To the best of the Directors' knowledge and belief, the risk factors that are material to prospective investors in making an informed judgment on the Rights Issue are set out below. Prospective investors should carefully consider and evaluate each of the following risks and all other information contained in this Offer Information Statement before making an investment decision. The Group may be affected by a number of risks that may relate to the industry and countries in which the Group operates as well as those that may generally arise from, inter alia, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive. There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations, possibly materially. If any of the following risks and uncertainties develops into actual events, the business, financial conditions or results of operations of the Company and the Group could be materially and adversely affected. In such cases, the trading price of the Rights Shares could decline and a prospective investor may lose all or part of his investment.

This Offer Information Statement contains forward-looking statements relating to events that involve risks and uncertainties. See the section "Cautionary Note on Forward-Looking Statements".

Risks Relating to the Group's Business

The Group's business is subject to the state of the industry in which it operates and capital expenditure by its customers.

The Company provides innovative engineering solutions to the global offshore, marine and energy industries. Headquartered in Singapore, the Company 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. Its solutions focus on the following areas: Gas Value Chain; Renewable Energy; Process; Advanced Drilling Rigs; Ocean Living; and Maritime Security.

The Company'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.

The Group's operations are dependent on the state of the industry in which it operates and capital expenditure by its customers. For example, in the offshore oil and gas industry, the Group's business and operations will be affected by the level of activities in the exploration, development and production of oil and natural gas. Such activities are in turn affected by factors such as fluctuations in oil and natural gas prices, changes in capital spending by customers in the offshore oil and gas industry, the number and locations of oil and gas fields, the ability to economically justify putting discoveries of oil and gas reserves into production, the need to clear all structures from the production site once the oil and gas reserves have been depleted, as well as weather conditions. The prices of oil and natural gas are affected by the fundamental principles of supply and demand as well as global political and economic factors and may be volatile. These will in turn affect the level of capital spending by companies in the offshore oil and gas industry. Low oil and natural gas prices tend to reduce the amount of oil and natural gas that producers can produce economically. When lower oil and gas prices prevail, major oil and gas companies generally reduce their spending budgets for offshore drilling, exploration and development.

The Group's customers are also affected by the laws, regulations, policies and directives relating to, among others, energy, investment and taxation promulgated by the governmental authorities of countries from which they will need to obtain licences to engage in the exploration, development and production of oil and natural gas. The demand for the Group's products and services and the potential for growth of its business will be affected if its customers cannot obtain the necessary licences to engage in exploration, development and production activities in the relevant areas or if such licences are revoked. Any decline in the level of activity in the offshore oil and gas industry will result in a decrease in demand for the Group's products and services for Gas Value Chain, Process and Advanced Drilling Rigs, and repair and upgrade services.

In the event of a reduction in the level of activity in the industry in which the Group operates as a result of any changes in capital spending by the industry or otherwise, the Group's operating results, financial position and prospects may be adversely affected.

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The offshore and marine industry has seen a prolonged and severe downturn since 2015 due to profound structural changes in the oil and gas sector and intensifying international competition. In the three years prior to the downturn, the Company earned healthy pre-tax profits of over S\$600 million per year, on the back of strong order books for drilling rigs and other major offshore projects. Since then, with reduced order books, the Company's financial performance has suffered a steep slide, resulting in pre-tax losses of S\$16 million in 2017, S\$101 million in 2018 and S\$177 million in 2019. A prolonged downturn in the oil and gas industry and persistently challenging industry outlook with low oil prices could affect the recovery of the Group's business and in particular, adversely impact the Group's businesses in relation to the construction of rigs, floaters and offshore platforms; conversion jobs; and ship repairs and upgrades. The Group's customers may default on their contracts/payments with the Group. It is difficult to predict how long these conditions will persist and how the Group's related markets, products, services and businesses will be adversely affected. These conditions may be exacerbated by persisting volatility in the financial sector and the capital markets. Accordingly, these conditions could cause a decrease in demand for the Group's products and services, thereby adversely affecting the Group's earnings.

The Group's business continues to face a difficult environment with prices of oil and natural gas being low and volatile. When lower oil and gas prices prevail, major oil and gas companies generally reduce their spending budgets for offshore drilling, exploration and development. Accordingly, overall business volume and activity for the Group's business has remained low, while competition continues to be intense.

In May 2020, the Company announced that the collapse in oil prices had significantly affected its securing of new orders. In June 2020, the Company announced that the Group continues to be impacted by major oil companies deferring their final investment decisions for project sanctions and cutting their capital expenditure significantly for 2020 due to low and volatile oil prices. Sustained low and volatile oil prices also continue to affect the Group's securing of new orders, with no new orders having been secured since the beginning of FY2020 and up to 30 June 2020. The Company foresees that new orders will likely remain depressed for a prolonged period.

Lastly, competition is also keen, coming mainly from shipyards in Korea and China. The Group has made inroads into the newbuild construction of drillships and oil and gas production facilities which are traditional strongholds of the Koreans. However, the Chinese shipyards have gained sizeable market share in the jackup segment, securing mostly standard and non-customised rigs.

The Group and its customers, suppliers, vendors and other business partners are affected by external environment risks, including pandemics such as the COVID-19 pandemic.

Volatile and uncertain economic conditions have become the new 'normal' for businesses operating in the global market place. This is no exception for the Group which has established an international network of shipyards. Other external environment risks include those relating to commodity market volatilities; global trade and economy; stability of the global financial and banking systems; foreign exchange fluctuations; political risks; regulatory landscape; and natural disasters and pandemics.

In particular, the outbreak of COVID-19 has spread globally and triggered a global economic contraction, causing disruptions in demand and supply chains. The number of reported COVID-19 cases worldwide and COVID-19 associated deaths have significantly exceeded those observed during the Severe Acute Respiratory Syndrome ("SARS") epidemic that occurred in 2002/2003 and have resulted in a more widespread health crisis than that observed during the SARS epidemic. On 11 March 2020, the World Health Organisation declared the COVID-19 outbreak as a pandemic. The COVID-19 outbreak is ongoing and the actual extent of the outbreak and its impact on domestic, regional and global economies remains uncertain. Governments around the world have introduced measures designed to slow the spread of the virus, including strict border controls and travel restrictions and ordering residents to stay at home with a limited range of exceptions. In Singapore, "circuit breaker" measures were implemented by the Singapore government on 7 April 2020 pursuant to which all non-essential businesses were ordered to close.

Further, the COVID-19 outbreak has resulted in supply chain disruptions, leading to delays in execution of projects undertaken by the Group's business.

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Since April 2020 when the Singapore government imposed its COVID-19 “circuit breaker” measures, in particular movement restrictions that disallowed migrant workers from leaving their dormitories for work, there was a substantial reduction in the Group’s operating yard workforce (including sub-contractors). The Group’s Singapore yards had to stand down and discontinue production activities, resulting in significant delays to project executions. In May 2020, the Company announced that the COVID-19 pandemic had resulted in delays in the execution and completion of its existing projects. In June 2020, the Company announced that the Group continues to be impacted by operational and supply chain disruptions due to the COVID-19 pandemic and government measures to control the pandemic in Singapore. With the lifting of some COVID-19 measures in Singapore since June 2020, the Company was allowed to gradually resume yard operations on 6 July 2020, and this is being done safely and progressively. The Company is working closely with its customers to restart the execution of existing projects. There is no assurance that the Singapore government will not re-impose the COVID-19 measures which have been partially lifted since June 2020 or that the “circuit breaker” measures will not be further extended, whether to a greater or lesser degree.

The COVID-19 outbreak could become even more severe, which may in turn result in protracted volatility in international markets and/or result in a prolonged global economic recession as a consequence of continued widespread disruption to, among others, manufacturing supply chains; imposition of quarantines; and prolonged closures of workplaces. The COVID-19 outbreak may result in reduced business volume and activities in the oil and gas industry. Any decline in the level of activities in the offshore oil and gas industry resulting in a decrease in demand for the Group’s products and services could adversely affect the Group’s business.

In addition, since February 2020, the COVID-19 outbreak has caused stock markets worldwide to lose significant value and impacted economic activities in Asia and worldwide. Uncertainty about the effects of the COVID-19 pandemic has resulted in significant disruption to capital and securities markets, which, if it continues, may adversely affect the Group’s ability to raise new capital and refinance its existing debt.

A number of governments (including the Singapore government) revised gross domestic product growth forecasts for 2020 downward in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic recession, which may have a material adverse effect on the Group’s financial condition and results of operations. While governments (including the Singapore government) have introduced and may introduce further support and relief measures in response to the COVID-19 pandemic, there is no assurance that such support packages will be effective in improving the state of the local and global economies.

In addition, the Group may face delays associated with the collection of receivables from its customers as a result of such restrictions or economic slowdown caused by the COVID-19 pandemic which may adversely affect the Group’s cash flows.

Any of the aforementioned factors, if materialised, may have an adverse effect on the Group’s operating results, businesses, assets, financial condition, performance or prospects.

External environment risks have far-reaching impacts which affect the Group and its customers, suppliers, vendors and other business partners. Whilst there are plans and measures in place to mitigate anticipated adverse consequences, full protection against risks of such nature is not practicably achievable.

The Company is subject to liquidity risks.

As at 30 June 2020, the Group had approximately S\$5.3 billion equivalent of total borrowings including approximately S\$2.0 billion equivalent which is repayable in one year or less. Overall, the Group is in a net debt position.

While the Group has unutilised facilities and funds available for use, the availability of such facilities and funds depends on factors that are beyond its control (including general global economic conditions, availability of liquidity in the market and the prevailing government policies, laws and regulations),

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which may affect the terms on which banks and financial institutions are willing to extend credit to their customers. Further, the Group requires additional financing to fund working capital requirements and capital expenditure necessary to support the future growth of its business.

Liquidity risks may adversely affect the Group's net operating cash flow and level of cash and cash equivalents, thereby causing it to be unable to meet its financial obligations. Working capital requirements may be adversely affected due to the effects of fluctuations in cash flow.

In 2020, having positioned itself for recovery, the Company was unexpectedly hit by the COVID-19 pandemic and the sudden collapse in oil prices. This has led to massive capital expenditure cuts by oil and gas companies and deferrals of investment decisions. The Singapore government's COVID-19 directives, which resulted in the temporary stand-down of yard activities, have caused project execution delays. The COVID-19 pandemic has also disrupted supply chains and added further serious uncertainties going forward. With new orders likely to remain depressed for a prolonged period, the Company now foresees that recovery will be pushed out further to 2021 and beyond. These developments have impacted the Company's operating cash flows and financial situation. The Company has taken steps to right-size its resources in response to the business outlook and deferred all non-essential capital expenditure. However, these measures will not be sufficient. The Company's cash flow and financial flexibility continue to be impacted by the worsening market dynamics and outlook. The Company urgently needs to recapitalise, address liquidity requirements, and strengthen its balance sheet. In addition, since February 2020, the COVID-19 outbreak has caused stock markets worldwide to lose significant value and impacted economic activities in Asia and worldwide. Uncertainty about the effects of the COVID-19 pandemic has resulted in significant disruption to capital and securities markets, which, if it continues, may adversely affect the Group's ability to raise new capital and refinance its existing debt.

The Group faces project management and execution risks.

The Group's core business revolves around the projects in its order book. Risks can arise throughout the entire project management and execution process, from tendering to contract negotiation and, upon award, the execution of engineering, procurement, construction, commissioning and delivery. Projects based on new designs may entail higher risks. Third party risks in the form of non- or poor performance of contractors, suppliers or vendors could affect the Group's ability to execute its projects as planned, thereby causing delays. This could happen when substitute manufacturers are limited, especially for specialised equipment. As described in the section "*Risk Factors – Risks Relating to the Group's Business – The Group and its customers, suppliers, vendors and other business partners are affected by external environment risks, including pandemics such as the COVID-19 pandemic*", the Group's project executions may also be affected by external environment risks including pandemics such as the COVID-19 pandemic.

The Group has been contracted for a number of projects on a lump sum-price basis. Some of the risks associated with such projects include:

- construction and project management risks associated with execution of projects and maintenance of operations, including risks relating to the execution of engineering, procurement, construction commissioning and delivery of a project;
- cost overruns associated with fixed-price contracts with limited price escalation provisions, where the Group bears all, or at least a portion of, increases in costs. In particular, where the Group ventures into new business segments for the first time, it may be less able to control cost overruns for new projects which it does not have prior experience in undertaking;
- delay in meeting delivery performance requirements of contracts which may result in potential penalties or liquidated damages; and
- inability to obtain compensation for additional work the Group performs or expenses the Group incurs as a result of customers changing orders or faulty equipment or materials.

These risks may result in reduced profitability or losses on projects, which in turn may materially and adversely affect the Group's financial condition and operating results.

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While reasonable measures have been taken to address these risks, such risks cannot be completely eliminated and, should they materialise, the Group's performance may be adversely affected.

The Group is subject to third party risks in respect of the contractors, suppliers and vendors of its projects.

The Group engages third party contractors, suppliers and vendors for the engineering design, procurement of materials, equipment, and services for the performance of work on the Group's projects. The successful completion of these projects depends on the ability of these contractors, suppliers and vendors to perform their contractual obligations and is subject to factors beyond the Company's control, including actions or omissions by these parties and their sub-contractors.

Any non-performance by such third parties, or a failure of such third parties to perform their contractual obligations to a satisfactory standard could result in delays to the planned project timelines, which could in turn result in late penalties or fines being imposed on the Group. For example, since April 2020 when the Singapore government imposed its COVID-19 "circuit breaker" measures, in particular movement restrictions that disallowed migrant workers from leaving their dormitories for work, there was a substantial reduction in the Group's operating yard workforce (including sub-contractors). The Group's Singapore yards had to stand down and discontinue production activities, resulting in significant delays to project executions. With the lifting of some COVID-19 measures in Singapore since June 2020, the Company was allowed to gradually resume yard operations on 6 July 2020, and this is being done safely and progressively. The Company is working closely with its customers to restart the execution of existing projects. There is no assurance that the Singapore government will not re-impose the COVID-19 measures which have been partially lifted since June 2020 or that the "circuit breaker" measures will not be further extended, whether to a greater or lesser degree.

Where delays occur, the Group may also face difficulties in sourcing other third party alternatives, especially where the project requires specialised equipment. Any setbacks or delays in construction, delivery of equipment or supplies or any problems relating to the work performed by the third party contractors, suppliers and vendors could also result in unforeseen construction costs or budget overruns. While the Group has implemented measures to minimise potential third party risks, there is no assurance that such risks will not materialise in the future, the occurrence of which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group is exposed to credit risks and risks arising from credit terms extended to its customers.

Credit risks arise mainly from sales to customers. They are mitigated through a stringent credit evaluation process and regular monitoring thereafter. Credit risks are managed on an aggregate basis by including all existing relationships with a particular customer or related entities of the same corporate organisation.

The Group is exposed to credit risks due to inherent uncertainties in its customers' business environment. These include political, social, legal, economic and foreign exchange risks, as well as those arising from unanticipated events or circumstances. There is no assurance in relation to the timeliness of payments of the Group's customers, whether such customers will be able to fulfil their payment obligations on time or at all, and whether such non-fulfilment of payment obligations will ultimately result in a termination of relevant contracts.

In the current market, shipyards are expected to provide extended credit terms for their projects to customers. Where the payment terms of the contract allow the customer to pay a larger proportion of the contract price at the back-end or post delivery, the Group would have to incur more working capital during the earlier construction stage, with no assurance that the customer would be able to take delivery and pay the balance of the contract price upon completion of construction.

Should the Group's customers not be financially able to meet their payment obligations to the Group in a timely fashion or at all, the financial performance of the Group may be adversely affected. Such events may also result in disputes, litigation or arbitration with customers, and potential renegotiation of contracts, which could result in the Group incurring additional costs and a diversion of management attention from the Group's day-to-day operations.

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For example, in 2012, the Group secured seven drillship contracts from Sete Group with a total contract value of US\$5.6 billion. The Group received approximately S\$2.7 billion in progressive payments for the work performed on these projects, up until November 2014 when Sete Group was unable to continue with the payments. The Group has ceased construction work on all the drillship units and focused instead on preserving the value of the work-in-progress, and has made provision of S\$329 million for the Sete Group contracts. The Group initiated arbitration proceedings against various subsidiaries of Sete Brasil to safeguard its interests under the Sete Group contracts, and the disputes were only finally resolved in February 2020.

There is also no assurance that the outcome of such disputes or litigation would be in favour of the Group or that the amount of damages that may be awarded will be adequate to cover any consequential losses suffered by the Group, or that the renegotiation of contracts will not place the Group in a position that is equal or worse than that of the original contract.

Another form of credit risk originates from the banks and financial institutions which the Group places cash and fixed deposits with. While the Group limits its credit exposure in respect of investments by only investing in liquid securities and only with counterparties that have sound credit ratings, this may minimise but will not remove credit risks.

The Group is exposed to foreign currency risks.

The Group incurs foreign currency risk on sales and purchases that are denominated in currencies other than the Singapore dollar, primarily the United States dollar and the Euro. The currencies of its revenues may not match the currencies of its operating costs. As a consequence, there is a risk that changes in exchange rates could have a significant negative effect on the reported results of the Group.

Furthermore, changes in exchange rates can weaken the competitiveness of the Group's shipyards vis-à-vis their competitors in other countries. The prices and/or costs of the Group's competitors may become lower due to changes in exchange rates working in their favour. In particular, due to the greater international scope of the Group's operations compared to some of its competitors, the Group may be more exposed than other companies.

In addition, as the operations and assets of the Group are located in various countries, exchange rate fluctuations could have a significant negative effect on its financial statements. The Company cannot guarantee that exchange rate fluctuations will not have a material negative effect on the financial condition or results of operations of the Group, notwithstanding the mitigating measures put in place.

In order to mitigate the risks associated with foreign exchange fluctuation, the Group enters into forward exchange contracts to hedge against such risks. However, there is no assurance that the Group will be able to hedge fully and effectively against its foreign currency exposure through such arrangements, which in turn could affect the Group's business, financial condition, operating results and prospects.

The Group's business is capital intensive and may require additional financing in the future for growth.

The expansion and development of the Group's business require significant additional capital. In particular, substantial additional funds are required if it wishes to expand or add new manufacturing facilities to undertake new businesses. Significant time and effort is required for project co-development with potential customers before new orders can be secured, and while a majority of the Group's ongoing contracts and new orders secured are on progressive payment terms, future new orders may have increased working capital needs. Due to changing business models and constrained capital availability, new orders may provide for payment terms less favourable to the Group, such as allowing the customer to pay a larger proportion of the contract price at the back-end, resulting in the Group having to incur more working capital during the construction stage.

The Group may, from time to time, obtain additional capital through debt and/or equity financing to fund its future capital expenditures. Additional debt financing, if obtained, may expose the Group to the covenants imposed by financial institutions or lenders. These covenants may include, among others, restrictions on payment of dividends or requirements to dedicate a substantial portion of its cash flow

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from operations to the payment of its debt. These restrictions will reduce the availability of the Group's cash flow to fund capital expenditures, working capital and other general corporate purposes and limit its flexibility in planning for, or reacting to, changes in its business and industry.

As a result of the capital-intensive nature of the industry, the Group has had and may continue to have a significant amount of borrowings. The Group's ability to service these debts and other contractual obligations will depend on future operations and cash flow generation. In addition, the Group cannot ensure that its profitability and ability to generate positive cash flows will be achieved or maintained or will increase or that it will not incur losses after its capital investment due to, among other things, a potential increase in its operating and financing costs incurred to finance the Group's growth and expansion or lower than expected increase in revenue. Any increase in operating and financing costs without a corresponding increase in revenue will have a negative impact on the Group's operating results. In the event that any of the above events materialises, the Group's business and financial performance will be adversely affected.

The Group's leverage exposes it to various risks, including reducing available cash flow and the need to comply with restrictive covenants that may, among others, inhibit its ability to incur more debt or pay dividends.

The extent of leverage may expose the Group to various risks, including increasing its vulnerability to downturns or adverse changes in general economic, industry or competitive conditions and government regulations and requiring a substantial portion of its cash flows from operations to be dedicated to the payment of principal and interest on the Group's indebtedness, therefore reducing its ability to use its cash flows to fund its operations, capital expenditures and future business opportunities.

If the Group's cash flows and capital resources are insufficient to fund its debt service obligations or if the Group is unable to refinance its indebtedness, the Group may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure its indebtedness. These alternative measures may not be successful and may not permit the Group to meet its scheduled debt service obligations.

As at 30 June 2020, approximately 38% of the Group's outstanding debt was subject to interest payments based on variable or floating rates. While the Group partially hedges its exposure to floating interest rate risks, a rising interest rate environment or failure to effectively manage its interest rate risks could result in increased debt service costs and may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's ability to incur additional indebtedness in the future is also constrained by covenants in its borrowings. Under the Group's existing bank and other financing facilities, the Group is required to satisfy and maintain specified financial ratios. These financial covenants require, among other things, that the Group maintain certain maximum gearing ratios. The Group's ability to meet those financial ratios may be affected by events beyond its control, and there can be no assurance that the Group will be able to meet those ratios at all times. There are also other covenants in the Group's existing bank and other financing facilities, such as those relating to enforcement of security provided by the Group, amount of litigation, or if there is a material adverse change to the business and there is no assurance that the Group is or will continue to be in compliance with all such covenants.

Any breach of the Group's financial or other covenants under the Group's bank and other financing facilities would trigger events of default under its other debt agreements that could further result in acceleration under the debt agreements that contain cross-acceleration or cross-default provisions, and the Group may consequently be required to repurchase or repay a significant amount of its borrowings prior to their due date. Upon the occurrence of an event of default under the Group's bank and other financing facilities, the lenders thereunder could elect to declare all amounts outstanding under such facilities to be immediately due and payable and terminate all commitments to extend further credit. If the Group is unable to repay those amounts, the lenders could proceed against any collateral granted by the Group to secure such indebtedness. The Company has given guarantees under, among others, certain of the credit facilities. If any of the Group's lenders accelerates the repayment of borrowings, there can be

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no assurance that there will be sufficient assets to repay them and the Group's other indebtedness. Such events of default under the Group's other debt agreements could also result in an event of default under the terms and conditions of the debt securities issued by the Group.

Further, the Group's ability to refinance its borrowings and to raise new borrowings, and the cost of such borrowings, are dependent on numerous factors, including general economic conditions, currency exchange and interest rates, credit availability from banks or other lenders, and its credit standing and financial and operational performance. There is no assurance that the Group will be able to refinance or raise additional borrowings on terms acceptable to the Group.

The contracts in the order backlog of the Group may be adjusted, cancelled or suspended and, therefore, the order backlog is not necessarily indicative of future operating revenues of the Group.

As at 30 June 2020, the Group's net order book backlog totalled S\$1.9 billion. The Group's order backlog represents the contracted future revenue under current contracts. However, the operating revenues included in the order backlog are based on estimates. There can be no assurance that the order backlog will actually be realised as revenues in the amounts reported or, if realised, will result in profits, and the Group's order backlog may be adjusted up or down.

In accordance with industry practice, substantially all of the contracts entered into by the Group are subject to cancellation, termination or suspension at the discretion of the customer and other conditions beyond the control of the Group. In addition, many of the contracts in the current order backlog of the Group are subject to changes in the scope of services to be provided as well as adjustments to the costs relating to the contracts. For example, the contracts in the order backlog of the Group are subject to a customer's termination right for convenience, or for *force majeure*, or for breach of contract (for example, as a result of certain delays or other failures to perform in accordance with the terms of the contract). Projects can remain in the order backlog for extended periods of time because of the nature of the project and the timing of the particular services required by the project. The risk of contracts in the Group's order backlog being cancelled or suspended generally increases during periods of widespread economic slowdown.

There is intense competition and possible new competitors in the market segments in which the Group operates.

The industry in which the Group operates is highly competitive, and the Group faces competition from other local and international shipyards which offer repair and offshore and marine engineering products and services. The Group expects to face increased competition from existing competitors and any new entrants into the offshore and marine market in the future. Competitive factors include price, quality and/or scope of products and services offered by other shipyards and engineering services providers and the availability of favourable payment and credit terms. Some of the Group's competitors may have larger facilities with readily available labour force and longer track record in particular business segments and/or have greater financial, technical, marketing and other resources and could therefore be in a better position to expand their business and market share.

The Group has in recent years diversified into new product segments such as clean energy solutions, provision of newbuilding floating production, storage and offloading vessels and other specialised vessels. For example, the Group delivered the largest heavy-lift crane semi-submersible to the Heerema group in 2019. The Group aims to provide innovative solutions across the offshore, marine and energy value chains. However, the Group as a relatively new player in such business segments faces strong competition from more established incumbents.

The Group's competitors may also engage in aggressive pricing which could result in the Group having to lower its price or improve credit terms significantly in order to secure contracts, thereby lowering its gross profit margins and cash flow. The Group faces similar competitive factors in its repair services business. If the Group fails to compete successfully against existing competitors and/or new entrants, or if its ventures into new product segments are hampered by intense competition, its business, financial condition and operating results may be adversely affected.

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The Group may not be successful in implementing its future plans.

The Group's future plans involve numerous uncertainties and risks. These include but are not limited to (i) the Group successfully entering into and developing new segments of the market to expand the business of the Group, and (ii) the Group's acquisition of new technology and investments in new facilities to provide the Group with new opportunities and better operating efficiency. Such plans may require substantial capital expenditure, the recurrence of working capital requirements and additional financial resources and commitments.

There is no assurance that these plans will achieve the expected results or outcome so as to generate an increase in revenue that will be commensurate with the Group's investment costs, or the ability to generate any cost savings, operational efficiencies and/or productivity improvements to its operations.

Since 2016, the Group has been acquiring technology companies to enhance its suite of offerings to customers, and has also been improving the facilities in its Tuas Boulevard Yard to provide solutions which will be more cost effective and efficient for its customers. To support this, the Group had tapped on the financing markets. Following the COVID-19 pandemic, these opportunities are limited and the Group has sought to address this through the Rights Issue. The capital raised will help to strengthen the balance sheet of the Group to support debt maintenance and/or raising debt financing in the future. Nevertheless, there is no guarantee that the traditional funding channels will be open and recover sufficiently for the Group to use these channels for future funding requirements. In the event that the investments do not generate new projects and cash flow as expected, the value of the investments would be lower and may require impairments to be recognised by the Group.

If (a) the results or outcomes of the Group's plans do not meet its expectations, (b) the Group fails to achieve a sufficient level of revenue or (c) the Group fails to manage its costs efficiently, the Group will not be able to recover its investments and its future financial performance, business operations and/or financial condition would be adversely affected.

The Group may not be able to successfully integrate or achieve synergies from its investments or acquisitions, and may be exposed to contingent liabilities relating to the businesses it acquires.

The Group has made a number of strategic acquisitions and investments. For example, in September 2018, the Group expanded its design and engineering solutions platform by completing the acquisition of, among others, the interests and titles to all of Sevan Marine ASA's intellectual property and 100% equity interest in HiLoad LNG AS (a subsidiary of Sevan Marine ASA which held certain intellectual property rights).

The Group continues to integrate its recent acquisitions and may from time to time make further acquisitions of companies or businesses. Integration of the acquired companies or businesses is important for coordinated and sustainable growth of the Group's business, but there is no assurance that the Group will be able to do so successfully. The Group may encounter a number of challenges in seeking to integrate the companies or businesses it acquires, including but not limited to difficulties arising from expanding into new areas and territories, for example, having to deal with unfamiliar government authorities, laws and regulations; the loss of customers of the targets following any acquisition; the diversion of attention of both the Group's management and the management of the target from existing businesses; difficulties arising from coordinating and consolidating corporate and administrative functions, including the integration of internal controls and procedures such as timely financial reporting; and unforeseen legal, regulatory, contractual, labour or other issues.

Integration of acquisitions and investments may also take significant time. If the Group is unable to successfully integrate its acquisitions or realise anticipated synergies or economic, operational and other benefits from its acquisitions or investments in a timely manner or at all, the Group could incur substantial costs and delays or other operational, technical or financial problems, and its business, financial condition, results of operations, cash flows and prospects could be materially and adversely affected.

Businesses, assets and companies that the Group acquires may also expose the Group to associated unknown or contingent liabilities, such as liabilities for past failures to comply with laws and regulations, and the Group may become liable for the past activities of such businesses. There is no assurance that

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every risk associated with the businesses, assets or companies that the Group acquires can be identified through due diligence exercises, and the failure to do so may have a material and adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group faces the risk of insufficient insurance coverage.

The Group is insured against construction risks, transportation risks, industry risks and potential liabilities such as risks of oil spills, damage to and/or loss of vessels and perils of the sea. However, there can be no assurance that all risks and potential liabilities can be insured and/or are adequately insured against. The availability of insurance coverage for any risk or liability is dependent on a number of factors such as the willingness of insurers to cover the risk or liability, the availability of re-insurance and prevailing insurance market conditions.

Where the damage or loss in question exceeds the insurance coverage taken up, the Group may be required to make material or significant monetary payments. Additionally, even where the Group's operations are insured, the Group may not receive the full amount of the claim from the insurance companies with whom its insurance coverage is taken out. As such, the Group's operating results or financial position may be materially and adversely affected.

In addition, certain risks, including risks associated with operations or business in certain geographical areas where there is war, insurgencies, terrorism or similar threats, may be uninsurable or insurable only at prohibitive cost levels.

The achievement of the Group's objectives and strategies depends significantly on its employees.

The achievement of the Group's objectives and strategies depends significantly on its employees. The Group constantly seeks to attract new talent as well as train and retain key employees. There are comprehensive human resource policies for recruitment, compensation and development in place. However, these are mitigating measures, and they neither guarantee that the right talent will join the Group nor stem the outflow of key personnel.

The Group is subject to international and local environmental and safety regulations and risks.

The Group's operations are subject to various international and local environmental protection and safety laws and regulations. Such laws and regulations are becoming increasingly complex and stringent and compliance may become increasingly difficult and costly.

Furthermore, some of these environmental laws and regulations may expose the Group to liability for the conduct of or conditions caused by others, or for its own acts, even if such acts had complied with all applicable laws at the time of performance. For instance, the Group may be required to pay significant fines and penalties for non-compliance. Some environmental laws impose joint and several "strict liability" for cleaning up spills and releases of oil and hazardous substances, regardless of whether the Group was negligent or at fault.

Environmental protection laws and regulations may also have the effect of curtailing offshore exploration, development and production activities by the Group's customers. This would reduce the demand for the Group's products and services, which would have an adverse impact on its business, financial performance and financial condition.

The Group is exposed to potential liability arising from any damage, injury or death resulting from accidents or other causes.

Due to the nature of the Group's operations, it is subject to the risk of accidents occurring either to its employees or to third parties who may be involved in accidents while on its premises, yards, structures or vessels. These accidents may occur due to, among other things, fire, explosions or other incidents which may result in injury to persons, death or damage to property, the rigs or the vessels. While the Group has instituted safety procedures for persons working on its premises, there is no assurance that accidents

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resulting in injury to persons, death or damage to property, the structures or the vessels will not arise. The Group may be liable, whether contractually or under law, for any or all of such loss, damage, injury or loss of life.

In the event of an accident that is not covered by the Group's insurance policies or where the insurance claims are in excess of its insurance coverage or are contested by the insurance companies, its financial performance and position may be adversely affected.

The Group has operations in emerging market countries and is subject to risks involved in such countries.

The Group has worldwide operations spanning the key hubs of Singapore, Brazil, Indonesia and the United Kingdom. The risk profile of the Group will therefore encompass the risks involved in each of these countries which include emerging market countries. Such risks include governance (institutions, laws, policies, corruption etc); infrastructure (banking, utilities, transport, industrial, logistics, communication etc); political, economic and social stability; and labour.

The businesses, performance and prospects of the Group may be adversely affected by any of such risks.

Changes in laws, such as the imposition of restrictions on foreign ownership or repatriation of earnings, could also have a negative effect on the ability of the Group to continue operations in these countries or to earn a profit from its operations in these countries.

The Group is affected by political risks in countries where it operates.

Wars, unsettled political conditions, social unrest, riots, terrorist attacks and government actions such as possible seizure of properties in countries where the Group currently operates or may in the future operate, may affect its ability to provide products and services for its customers in such countries. Such developments may also affect the ability of the Group's customers to meet their payment obligations to the Group and increase insurance premiums for the Group's operations. If such risks develop into actual events, the Group's operations and profitability may be adversely affected.

The Group is subject to laws, government regulations and policies governing its operations and is required to obtain the relevant government permits, licences and approvals.

The Group's operations are subject to the relevant laws, regulations and government policies governing its operations and the Group is required to obtain the necessary government permits, licences and approvals to conduct its operations. In the event that the Group is unable at any time to comply with the existing laws and regulations to which it is subject or there are any changes in such laws and regulations, or any new regulations are introduced by local or international bodies that curtail or prevent the Group's operations, its business, results of operations, financial condition and prospects may be adversely affected as a result. In addition, any change in existing laws or regulations or introduction of new laws or regulations to which the Group is subject may increase its costs of operations, including compliance costs, and may also increase the Group's liabilities, including liabilities incurred by businesses prior to the acquisition of such businesses by a member of the Group. The occurrence of any of these events may have an adverse effect on the Group's profitability.

Authorities in jurisdictions in which the Group operates may impose onerous licensing or statutory requirements. If the Group fails to obtain the relevant permits, licences and approvals or comply with statutory requirements, it may be forced to cease all or part of its operations in these jurisdictions which may adversely affect the results of its operations, financial performance and financial position. There can be no assurance that the Group will receive the necessary permits, licences and approvals in a timely fashion or at all or that such permits, licences or approvals will not contain onerous restrictions or conditions.

There is no assurance that the governments of the countries in which the Group operates will not postpone or review projects or will not make any changes to government policies, in each case which could adversely affect the Group's business, results of operations, financial position and prospects.

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The interpretation and application of laws and regulations in the jurisdictions in which the Group operates may involve uncertainty.

The courts in certain of the jurisdictions in which the Group operates may offer less certainty as to the judicial outcome or a more protracted judicial process than is the case in more established jurisdictions. Businesses can become involved in lengthy court cases over simple issues when rulings are not clearly defined, and the poor drafting of laws and excessive delays in the legal process for resolving issues or disputes compound such problems. Accordingly, the Group could face risks such as (i) effective legal redress in the courts of such jurisdictions being more difficult to obtain, whether in respect of a breach of law or regulation, or in an ownership dispute, (ii) a higher degree of discretion on the part of governmental authorities and therefore less certainty, (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations, (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions, or (v) relative inexperience or unpredictability of the judiciary and courts in such matters.

Enforcement of laws in some of the jurisdictions in which the Group operates may depend on and be subject to the interpretation placed upon such laws by the relevant local authority, and such authority may adopt an interpretation of an aspect of local law which differs from the advice that has been given to the Group by local lawyers or even previously by the relevant local authority itself. Furthermore, there may be limited or no relevant case law providing guidance on how courts would interpret such laws and the application of such laws to the Group's contracts, joint operations, licences, licence applications or other arrangements.

There can be no assurance that unfavourable interpretation or application of the laws in the jurisdictions in which the Group operates will not adversely affect the Group's contracts, operations, licences, licence applications or other legal arrangements. In certain jurisdictions, the commitment of local businesses, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be less certain and more susceptible to revision or cancellation, and legal redress may be uncertain or delayed. If the existing body of laws and regulations in the countries in which the Group operates are interpreted or applied, or relevant discretions exercised, in an inconsistent manner by the courts or applicable regulatory bodies, this could result in ambiguities, inconsistencies and anomalies in the enforcement of such laws and regulations, which in turn could hinder the Group's long-term planning efforts and may create uncertainties in the Group's operating environment, and may adversely affect the Group's business, results of operations, financial condition and prospects.

The Group is subject to changes in the tax rules or interpretations by the local tax authorities in the jurisdictions that the Group operates.

The Group's operations in, among others, Singapore, the United Kingdom, Malaysia, Norway and Brazil, are subject to the laws, regulations and policies of the various jurisdictions, including routine and special audits by the local tax authorities. Changes in the tax rules or interpretations by the local tax authorities in relation to the Group's operations (which may or may not have retrospective effect) may have a significant impact on the Group's tax exposure. While the Group may seek tax advice or opinions from time to time in relation to its operations, there is no assurance that a tax position adopted (with or without a tax opinion) will not be successfully challenged by the tax authorities in Singapore, the United Kingdom, Malaysia, Norway and Brazil or other jurisdictions in which the Group may operate. In such an event, the Group may be exposed to tax liabilities such as underpaid tax as well as penalties, which may adversely affect the Group's results of operations and financial position.

The Group is subject to risk of reputational damage.

The Group places paramount importance on its reputation and takes all necessary measures to maintain its standing. However, unforeseeable or uncontrollable events may still occur that may result in reputational damage.

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The Group may be involved in legal and other proceedings from time to time.

The Group operates in many countries. This means the Group, from time to time, is confronted with complex legal and regulatory requirements and judicial systems in many jurisdictions. From time to time, the Group may be involved in disputes with various parties including, but not limited to, its contractors, sub-contractors, consultants, suppliers, purchasers and joint venture partners. These disputes may lead to legal and other proceedings, and may cause the Group to suffer additional costs and delays in its operations. Please also refer to the section “*Risk Factors – Risks Relating to the Group’s Business – The Group is exposed to potential liability arising from any damage, injury or death resulting from accidents or other causes*”.

In addition, the Group may have disagreements with regulatory bodies in the course of its operations or may be investigated by regulatory bodies, which may subject it to administrative proceedings, unfavourable orders, directives, decrees or sanctions such as fines or other penalties that may adversely affect the Group’s operating results, businesses, assets, financial condition, performance or prospects.

There can be no assurance that the Group will not be subject to disputes, investigations by regulatory bodies or regulatory action in the course of its operations or that any existing or new disputes, investigations or proceedings will be concluded or settled on favourable or reasonable terms, or at all. In the event any new or existing disputes or investigations are not concluded or settled on favourable or reasonable terms, or at all, the Group’s operating results, businesses, assets, financial condition, performance or prospects may be adversely affected.

The Group is subject to operational, business and political risks in Brazil, where it operates.

Part of the Group’s business activity is conducted in Brazil and there are ongoing investigations conducted in connection with corruption allegations in Brazil, known as “Operação Lava Jato” (“**Operation Car Wash**”), as described below.

Chronology of Events

In 2012, the Group secured a number of drill rig construction contracts (the “**Contracts**”) with certain subsidiaries of Sete Brasil. Companies connected to Mr Guilherme Esteves de Jesus (“**GDJ**”) were engaged by the Group as consultants in Brazil.

In February 2015, there were various media reports that, *inter alia*, Mr Pedro Jose Barusco (“**PJB**”), Petrobras’ former engineering manager, had made statements to the effect that illegal payments had been made in connection with contracts entered into by Petrobras and/or Sete Brasil.

On 30 March 2015, the Group announced that it had received a copy of a plea bargain entered into between PJB and the Brazilian authorities in which PJB made allegations against GDJ in connection with the Contracts, and that GDJ was arrested by the Brazilian authorities in late March 2015. All contracts for consultancy services provided to the Group by companies connected to GDJ were suspended and remain suspended by the Group indefinitely. The Group has not had any dealings with GDJ or the companies connected to GDJ following such suspension.

In April 2017, GDJ was charged by the Brazilian authorities and he defended the charges when his trial commenced in 2018.

On 3 July 2019, the Group announced that the Brazilian authorities had executed a search warrant on Estaleiro Jurong Aracruz Ltda (“**EJA**”), the Group’s Brazilian subsidiary, in connection with the ongoing investigations related to Operation Car Wash and against GDJ.

The Group also learnt that the investigations which led to the execution of the search warrant on EJA had been expanded to include Mr Martin Cheah Kok Choon (“**MCKC**”), the former president of EJA whose employment with the Group was terminated in June 2015. EJA co-operated fully with the Brazilian Federal Police and provided material within the scope of the warrant. In light of the investigation by the

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Brazilian authorities into the activities of MCKC during the time he was in the Group's employment, the Group lodged a suspicious transaction report in respect of MCKC with the Commercial Affairs Department of the Singapore Police Force.

On 3 February 2020, the Group also announced that it had come to its attention on 1 February 2020 that the Ministério Público Federal in Brazil had filed new charges against GDJ for money laundering. The Group also learnt that the Ministério Público Federal in Brazil had filed charges against MCKC for money laundering and corruption in connection with the Contracts. In light of these developments, the Group lodged a further suspicious transaction report in respect of MCKC with the Commercial Affairs Department of the Singapore Police Force.

On 21 February 2020, the Group announced that it had come to its attention on 20 February 2020 that GDJ had been convicted by the Federal Court of Curitiba of the crimes of corruption, money laundering and participation in a criminal organisation. GDJ was sentenced to 19 years and 4 months in prison and was also fined.

On 4 June 2020, the Group announced that it had come to its attention that the Federal Court of Curitiba accepted the complaint offered by the Ministério Público Federal in Brazil against MCKC for money laundering and corruption in connection with the Contracts. The court also accepted the additional complaint against GDJ for money laundering.

The Group is continuing to monitor developments in Brazil on this matter.

SCM Board Special Committee

Since early 2015, the Group had formed a Special Committee to conduct independent internal investigations into the allegations, and to recommend actions as considered appropriate in connection with the independent investigations.

Due to the evolving nature of the matters in Brazil, the internal investigations being conducted by the Company are still ongoing and have not yet been concluded. These internal investigations remain legally privileged.

The Group's Position

The above charges filed against MCKC and GDJ by the Ministério Público Federal in Brazil are in their personal capacities and not against EJA or the Company. Other than MCKC, the Group is not aware of any other of its employees past or present that is a subject of the current investigations being conducted by the Brazilian authorities in relation to Operation Car Wash. As at the Latest Practicable Date, the Brazil investigations are still ongoing and the Group's directors have determined that it is premature to predict the eventual outcome of this matter. Please also refer to paragraph 8(c) of the section "*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information*" for additional updates on general business developments from 1 July 2020 to the Latest Practicable Date in relation to Operation Car Wash.

As stated in the Group's announcements on 3 July 2019, 8 July 2019, 3 February 2020 and 21 February 2020, the Group is committed to the highest standards of compliance with anti-corruption laws and does not condone, has not condoned and will not tolerate any improper business conduct. The Group has a strict compliance programme and continuously works to ensure that policies and procedures are in place to prevent any violation of any anti-corruption laws applicable to its operations.

Potential Outcome

The potential outcome of Operation Car Wash as well as other ongoing corruption-related investigations against other persons unconnected to the Group is uncertain and the outcome of any such investigations may have a negative impact on the Group's operations in Brazil, and on investor sentiments towards the Group's operations in Brazil. The Group has no control over and cannot predict the outcome of such investigations or allegations.

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The Group also has no control over and cannot predict whether such investigations by the Brazilian authorities will lead to new allegations or investigations. As at the Latest Practicable Date, the Group can give no assurance that such investigations will not result in fines and/or penalties imposed on the Group or whether such fines and/or penalties will not have a material adverse effect on the Group's operating results, businesses, assets, financial condition, performance or prospects.

Risks Relating to an Investment in the Rights, the Rights Shares and the Shares

An active trading market in the Rights may not develop.

An active trading market in the Rights may not develop on the SGX-ST during the trading period for such Rights. In addition, because the trading price of the Rights depends on the trading price of the Shares, the price may be volatile and subject to the same risks as noted elsewhere in this Offer Information Statement.

Shareholders who do not or are not able to accept their Rights will experience a dilution in their ownership of the Company.

If Shareholders do not or are not able to accept their Rights, their proportionate ownership of the Company will be reduced. They may also experience a dilution in the value of their Shares. Even if a Shareholder sells his Rights, or such Rights are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his ownership of the Company as a result of the Rights Issue.

Investors may experience future dilution in the value of their Shares.

The Company may need to raise additional funds in the future and if such additional funds are raised through the issuance by the Company of new Shares other than on a *pro rata* basis to existing Shareholders, the percentage ownership of existing Shareholders may be reduced and existing Shareholders may experience dilution in the value of their Shares.

The Issue Price is not an indication of the underlying value of the Shares. Further, the Rights Issue may cause the price of the Shares to fluctuate or decrease.

The Issue Price represents a discount of approximately (i) 31.0 per cent. to the TERP of S\$0.290⁶ per Share as calculated based on the VWAP of the Shares on the Main Board of the SGX-ST over the five-day period up to and including the Last Trading Day of S\$0.740⁷; (ii) 35.1 per cent. to the TERP of S\$0.308⁸ per Share as calculated based on the last transacted price of the Shares on the Main Board of the SGX-ST on the Last Trading Day of S\$0.850; and (iii) 76.5 per cent. to the last transacted price of the Shares on the Main Board of the SGX-ST on the Last Trading Day of S\$0.850. The Issue Price does not bear a direct relationship to the book value of the Company's assets, past operations, cash flow, earnings, financial condition or any other established criteria for value, and Shareholders should not consider the Issue Price to be any indication of the Share's underlying value.

The market price for the Shares on the SGX-ST (including the Rights and the Rights Shares) could be subject to significant fluctuations. Any fluctuation may be due to the market's perception of the likelihood of completion of the Rights Issue and/or be in response to various factors some of which are beyond the Company's control. Examples of such factors include but are not limited to: (a) variation in its operating results; (b) changes in securities analysts' estimates of the Group's financial performance; (c) fluctuations

⁶ Such TERP is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the VWAP of the Shares on the Main Board of the SGX-ST over the five-day period up to and including the Last Trading Day of S\$0.740, and the number of Shares following the completion of the Rights Issue.

⁷ The Issue Price represents a discount of approximately 73.0 per cent. to the VWAP of the Shares on the Main Board of the SGX-ST over the five-day period up to and including the Last Trading Day of S\$0.740.

⁸ Such TERP is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the last transacted price of the Shares on the Main Board of the SGX-ST on the Last Trading Day of S\$0.850, and the number of Shares following the completion of the Rights Issue.

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in stock market prices and volume; (d) general changes in rules/regulations with regard to the industries that the Group operates in, including those that affect the demand for the Group's products and services; and (e) economic, stock and credit market conditions.

Any of these events could result in a decline in the market price of the Shares (including the Rights and the Rights Shares) during and after the Rights Issue. There is no assurance that the market price of the Rights Shares, upon or subsequent to the listing thereof and quotation therefor on the SGX-ST, will remain at or above the Issue Price, or that the Rights Shares can be disposed of at or above the Issue Price. Further, the discount, along with the number of Rights Shares, may result in a decrease in the trading price of the Shares and this decrease may continue after the completion of the Rights Issue.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

Entitled Shareholders

Entitled Shareholders are entitled to participate in the Rights Issue and to receive this Offer Information Statement, together with the ARE or the PAL, as the case may be, at their respective Singapore addresses.

Entitled Depositors who do not receive this Offer Information Statement and the ARE may obtain them from CDP, the Share Registrar or any stockbroking firm during the period from the date the Rights Issue commences up to the Closing Date. Entitled Scripholders who do not receive this Offer Information Statement and the PAL may obtain them from the Share Registrar during the period from the date the Rights Issue commences up to the Closing Date.

Entitled Shareholders will be provisionally allotted Rights Shares under the Rights Issue on the basis of their shareholdings in the Company as at the Record Date. Entitled Shareholders are at liberty to accept (in full or in part), decline, renounce or (in the case of Entitled Depositors only) trade on the SGX-ST (during the Rights trading period prescribed by the SGX-ST) their Rights and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Fractional entitlements to the Rights Shares will be disregarded in arriving at the Shareholders' entitlements and will, together with such Rights Shares that are not validly taken up by Entitled Shareholders or their respective renounee(s) or Purchaser(s), any unsold Rights of Foreign Shareholders and any Rights Shares that are not otherwise allotted for whatever reason in accordance with the terms and conditions contained in this Offer Information Statement, the ARE, the PAL and (if applicable) the Constitution, be aggregated and used to satisfy Excess Rights Shares applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders (including SCI with respect to the SCI Excess Rights Shares) who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

All dealings in and transactions of the Rights through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs, which will be issued to Entitled Scripholders, will not be valid for delivery pursuant to trades done on the SGX-ST.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the Rights and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices A, B and C to this Offer Information Statement and in the ARE, the ARS and the PAL⁹.

Notwithstanding the foregoing, investors should note that the offer and sale of, or exercise or acceptance of, or subscription for, the Rights Shares to or by persons located or resident in jurisdictions other than Singapore may be restricted or prohibited by the laws of the relevant jurisdiction. Crediting of Rights to any Securities Account, the receipt of any Rights, or receipt of this Offer Information Statement and/or any of its accompanying documents, will not constitute an offer or sale in those jurisdictions in which it will be illegal to make such offer or sale, or where such offer or sale will otherwise violate the securities laws of such jurisdictions or be restricted or prohibited. The Company reserves absolute discretion in determining whether any person may participate in the Rights Issue. Investors are cautioned to note the offering, selling and transfer restrictions set forth in the section "*Offering, Selling and Transfer Restrictions*".

⁹ SCI's obligation to pay the SCI Undertaken Rights Shares Subscription Amount shall be set off against an equivalent amount of the principal amount outstanding and due and owing to SCI by the Company under the Subordinated Credit Facility following the Novation, as further described in paragraph 7 of the section "*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*".

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

Foreign Shareholders

This Offer Information Statement and its accompanying documents have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. The distribution of this Offer Information Statement and its accompanying documents, and the purchase, exercise of or subscription for Rights and/or the Rights Shares by any persons who have registered addresses outside Singapore, or who are resident in, or citizens of countries other than Singapore, may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, this Offer Information Statement and its accompanying documents will not be despatched to Foreign Shareholders.

Foreign Shareholders will not be entitled to participate in the Rights Issue. Accordingly, no provisional allotment of Rights Shares will be made to Foreign Shareholders and no purported acceptance or application for the Rights Shares by Foreign Shareholders will be valid.

This Offer Information Statement and its accompanying documents will also not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the Rights credited to their Securities Accounts should make the necessary arrangements with their respective Depository Agents or stockbrokers in Singapore.

The Company reserves the right, but shall not be obliged, to treat as invalid any ARE, ARS or PAL which (i) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore or which the Company believes may violate any applicable legislation of such jurisdiction, (ii) provides an address outside Singapore for the receipt of the share certificate(s) for the Rights Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore, or (iii) purports to exclude any deemed representation, warranty or confirmation. The Company further reserves the right to reject any acceptances of the Rights Shares and/or applications for Excess Rights Shares where it believes, or has reason to believe, that such acceptances and/or applications may violate any applicable legislation of any jurisdiction.

If it is practicable to do so, the Company may, at its absolute discretion, arrange for the Rights, which would otherwise have been provisionally allotted to Ineligible Shareholders, to be sold “nil-paid” on the SGX-ST as soon as practicable after commencement of trading in the Rights. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the expenses expected to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Ineligible Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Record Date and sent to them **AT THEIR OWN RISK** by ordinary post, **provided that** where the amount of net proceeds to be distributed to any single Ineligible Shareholder or persons acting to the account or benefit of any such persons is less than S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Ineligible Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Sole Financial Adviser, Lead Manager and Underwriter, CDP, the CPF Board or the Share Registrar and their respective officers in connection therewith.

Where such Rights are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Ineligible Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Sole Financial Adviser, Lead Manager and Underwriter, CDP, the CPF Board or the Share Registrar and their respective officers in respect of such sales or the proceeds thereof, the Rights or the Rights Shares represented by such Rights.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

If such Rights cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the Rights, the Rights Shares represented by such Rights will be issued to satisfy excess applications or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Ineligible Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Sole Financial Adviser, Lead Manager and Underwriter, CDP, the CPF Board or the Share Registrar and their respective officers in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Ineligible Shareholders.

Notwithstanding the above, Shareholders and any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other regulatory or legal requirements in such territory.

OFFERING, SELLING AND TRANSFER RESTRICTIONS

No action has been taken or will be taken to permit a public offering of the Rights or the Rights Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Offer Information Statement, its accompanying documents or any other material relating to the Company, the Rights or the Rights Shares in any jurisdiction where action for such purpose is required, except that this Offer Information Statement has been lodged with the MAS. Accordingly, the Rights or the Rights Shares may not be offered or sold, directly or indirectly, and none of this Offer Information Statement, its accompanying documents or any offering materials or advertisements in connection with the Rights or the Rights Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Investors are advised to consult their legal counsel prior to accepting any Rights, applying for Excess Rights Shares or making any offer, sale, resale, pledge or other transfer of the Rights or the Rights Shares.

This Offer Information Statement and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Hong Kong

This Offer Information Statement has not been delivered for registration to the registrar of companies in Hong Kong, and its contents have not been reviewed or authorised by any regulatory authority in Hong Kong. Accordingly: (i) the Rights and Rights Shares have not been and will not be offered or sold in Hong Kong, by means of any document, other than to persons that are considered “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong (“SFO”) and any rules made thereunder, or in other circumstances which do not result in this document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong and as permitted under the SFO; and (ii) no invitation, advertisement or other document relating to the Rights and Rights Shares has been or will be issued (or possessed for the purpose of issue), whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Rights and Rights Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the SFO and any rules made thereunder.

WARNING: The contents of this Offer Information Statement have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Rights Issue. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

United States

The Rights and the Rights Shares have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Rights and the Rights Shares are being offered and sold by the Sole Financial Adviser, Lead Manager and Underwriter only outside the United States in an “offshore transaction” in reliance upon Regulation S. As used in this paragraph, the term “United States” has the meaning given to it by Regulation S.

Each purchaser of the Rights and/or the Rights Shares outside the United States pursuant to Regulation S and each subsequent purchaser of such shares in resales, by accepting delivery of this Offer Information Statement, will be deemed to have represented, agreed and acknowledged that:

- (a) the purchaser is acquiring the Rights and/or Rights Shares in an “offshore transaction” meeting the requirements of Regulation S;

OFFERING, SELLING AND TRANSFER RESTRICTIONS

- (b) the purchaser is aware that the Rights and/or Rights Shares have not been and will not be registered under the Securities Act and are being offered, sold or delivered in reliance on Regulation S; and
- (c) the purchaser acknowledges that the Company, the Sole Financial Adviser, Lead Manager and Underwriter, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

Terms used in this paragraph that are defined in Regulation S are used herein as defined therein.

General

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Shareholders or any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and to observe such prohibitions and restrictions. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares or purchase any Rights unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.

The Company and the Sole Financial Adviser, Lead Manager and Underwriter have not taken any action, nor will the Company and the Sole Financial Adviser, Lead Manager and Underwriter take any action, in any jurisdiction other than Singapore that would permit a public offering of the Rights Shares or the Rights, or the possession, circulation or distribution of this Offer Information Statement or any other material relating to the Company, the Rights Shares or the Rights in any jurisdiction other than Singapore where action for that purpose is required.

Accordingly, each purchaser of Rights and/or Rights Shares may not offer or sell, directly or indirectly, any Rights Shares or Rights and may not distribute or publish this Offer Information Statement or any other offering material or advertisements in connection with the Rights Shares or Rights in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction.

TRADING

Listing of and Quotation for the Rights Shares

Approval in-principle has been obtained from the SGX-ST on 22 July 2020 for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to the following conditions:

- (i) compliance with the SGX-ST's listing requirements;
- (ii) Shareholders' approval for the Rights Issue;
- (iii) a written undertaking from the Company that it will comply with Rules 704(30), 877(8) and 1207(20) of the Listing Manual in relation to the use of proceeds from the Rights Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report; and
- (iv) a written undertaking from the Company that it will comply with the confirmation given in Rule 877(10) of the Listing Manual with regards to the allotment of any Excess Rights Shares.

The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Rights, the Company, its subsidiaries and/or the Shares.

Upon the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, the Rights Shares will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) in relation to the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "*Terms and Conditions for Operation of Securities Account with The Central Depository (Pte) Limited*", as the same may be amended from time to time. Copies of the above are available from CDP.

Share Certificates and Arrangements for Scripless Trading

Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, must open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or National Registration Identity Card ("**NRIC**")/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP, will be issued physical share certificates in their own names for the Rights Shares allotted to them and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title. If an Entitled Scripholder's address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

A holder of physical share certificate(s) or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but wishes to trade on the SGX-ST must deposit his share certificate(s) with CDP, together with the duly executed instrument(s) of transfer in favour of CDP, and payment of S\$10.00 plus goods and services tax at the prevailing rate, and have his Securities Account credited with the number of Rights Shares and/or existing Shares, as the case may be, before he can effect the desired trade.

TRADING

Trading of Odd Lots

For the purposes of trading on the Main Board of the SGX-ST, each board lot of Shares will comprise 100 Shares. Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) are able to trade odd lots of Shares in board lots of one Share on the Unit Share Market. Shareholders who hold odd lots of Shares may have difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Shares.

In this regard, the Brokerages will be offering Concessionary Brokerage Rates for the trading in odd lots of Shares for the Concession Period.

The brokerage fee payable by those who trade on the Unit Share Market during the Concession Period through the Brokerages are as follows:

	DBS Vickers	OCBC Securities	Phillip Securities	UOB Kay Hian
Minimum brokerage fee, provided the number of Shares traded in aggregate does not exceed 99 Shares in a single day	S\$5.00 per contract (via a broker).	S\$15.00 per contract (via a broker).	S\$5.00 per contract (via POEMS). S\$10.00 per contract (via a broker).	S\$5.00 per contract (via a broker).

For trades of 100 Shares or more in aggregate in a single day, the usual brokerage fee applies. After the Concession Period, Shareholders who hold odd lots of Shares can continue to trade in odd lots on the Unit Share Market and the Concessionary Brokerage Rate will no longer be applicable to any trades of the Shares in odd lots undertaken via the Brokerages.

Shareholders should note that notwithstanding the Concessionary Brokerage Rate for trades executed on the Unit Share Market during the Concession Period, they will be required to continue to bear clearing fees and other regular trading fees imposed by the SGX-ST (including any goods and services tax relating to such fees), which shall be based on customary rates imposed from time to time.

SHAREHOLDING LIMITS

The Company wishes to draw to the attention of Shareholders that the allotment of Rights Shares to a Shareholder pursuant to his application for Excess Rights Shares may cause such Shareholder to reach or exceed the applicable shareholding limits referred to below. Shareholders who are in doubt as to the actions they should take should consult their stockbroker, bank manager, solicitor or other professional adviser immediately.

The Directors reserve the right not to allot any Rights Shares where such allotment will be in breach of the shareholding limits referred to below or otherwise as required by any relevant legal and regulatory authorities.

The Take-over Code

The Take-over Code regulates the acquisition of ordinary shares of, *inter alia*, corporations with a primary listing on the SGX-ST, including the Company. Except with the consent of the SIC, where:

- (i) any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by parties acting in concert with him) carry 30% or more of the voting rights of the Company; or
- (ii) any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights of the Company and such person, or any person acting in concert with him, acquires in any period of six months additional shares carrying more than 1% of the voting rights,

such person must extend a mandatory take-over offer, in accordance with the provisions of the Take-over Code, immediately to the holders of any class of share capital of the Company which carries votes and in which such person, or persons acting in concert with him, hold shares. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any acquisition of Rights Shares pursuant to the Rights Issue should consult the SIC and/or their stockbroker, bank manager, solicitor or other professional adviser.

SCI Undertaking Agreement

As SCI currently holds more than 50 per cent. of the Shares in issue, the obligations under the SCI Undertaking Agreement will not trigger an obligation under the Take-over Code to make a general offer for the Shares.

SCI Distribution

General Offer Requirement under the Take-over Code

Pursuant to Note 8 of Rule 14 of the Take-over Code, where an upstream company distributes, on a *pro rata* basis, its shareholding in a downstream company to shareholders in the upstream company, an upstream shareholder and his concert parties who acquire or consolidate effective control in the downstream company pursuant to such distribution will not incur a general offer obligation for the downstream company if, *inter alia*, the upstream shareholder and his concert parties own or control more than 50 per cent. of the voting rights in the upstream company.

As at the Latest Practicable Date, the Temasek Concert Party Group holds less than 50 per cent. of the issued share capital of SCI¹⁰. As the distribution of the Shares held by SCI to the SCI Entitled Shareholders pursuant to the SCI Distribution upon completion of the Rights Issue will result in the Temasek Concert Party Group holding an aggregate interest in more than 30 per cent. of the issued

¹⁰ For the avoidance of doubt, all references to the shareholding of the Temasek Concert Party Group exclude any SCI Shares held by SCI as treasury shares and all references to the percentage of SCI Shares held by the Temasek Concert Party Group have been calculated on the basis of 1,786,431,697 SCI Shares in issue (excluding any treasury shares) as at the Latest Practicable Date.

SHAREHOLDING LIMITS

Shares, the Temasek Concert Party Group will be required to make a mandatory general offer under Rule 14 of the Take-over Code for the Shares not already held by the Temasek Concert Party Group, unless such obligation is waived by the SIC.

Whitewash Waiver

SIC has, on 5 June 2020, confirmed that the Temasek Concert Party Group will be exempted from the requirement to make a general offer for all the Shares under Rule 14 of the Take-over Code as a result of it acquiring or consolidating effective control of the Company following the SCI Distribution (the “**Whitewash Waiver**”), subject to the following conditions being satisfied (collectively, the “**SIC Conditions**”):

- (i) in respect of the Company:
 - (a) a majority of the Independent Shareholders approving at the EGM before the SCI Distribution, a resolution (the “**Whitewash Resolution**”) by way of a poll, to waive their rights to receive a general offer from the Temasek Concert Party Group;
 - (b) the Whitewash Resolution being put to the vote of the Independent Shareholders separate from any other resolutions which may be proposed at the EGM;
 - (c) the Temasek Concert Party Group, as well as parties not independent of them, abstaining from voting on the Whitewash Resolution;
 - (d) the Temasek Concert Party Group not having acquired and are not to acquire any Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of the Shares which have been disclosed in the Circular) (1) during the period between the Announcement and the later of (I) the date the Independent Shareholders’ approval is obtained for the Whitewash Resolution and (II) the date the SCI Shareholders’ approval is obtained for the SCI Distribution Resolution; and (2) in the six months prior to the Announcement but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to the Transaction;
 - (e) the appointment by the Company of an independent financial adviser to advise the Independent Shareholders on the Whitewash Resolution;
 - (f) the Circular setting out:
 - (1) details of the Rights Issue (including SCI’s undertaking to subscribe for the SCI Undertaken Rights Shares pursuant to the SCI Undertaking Agreement and Temasek’s agreement to subscribe for the Underwritten Rights Shares pursuant to the Sub-Underwriting Agreement) and the SCI Distribution;
 - (2) the dilution effect of issuing the Rights Shares pursuant to the Rights Issue and the SCI Distribution to existing Shareholders;
 - (3) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares held by the Temasek Concert Party Group as at the latest practicable date of the Circular;
 - (4) the number and percentage of voting rights in the Company that may be acquired by the Temasek Concert Party Group upon the issue of the Rights Shares as a result of the SCI Undertaking Agreement and the Sub-Underwriting Agreement;
 - (5) the number and percentage of voting rights in the Company that may be held by the Temasek Concert Party Group after the Rights Issue and the SCI Distribution;

SHAREHOLDING LIMITS

- (6) a specific and prominent reference to the fact that the Rights Issue and SCI Distribution could result in the Temasek Concert Party Group holding more than 49 per cent. of the voting rights in the Company, and that the Temasek Concert Party Group will be free to acquire further Shares without incurring any obligation to make a mandatory offer for the Company; and
 - (7) a specific and prominent reference to the fact that the Independent Shareholders, by voting for the Whitewash Resolution, will be waiving their rights to receive a general offer from the Temasek Concert Party Group at the highest price paid by any of them for Shares in the past six months prior to the commencement of the offer;
 - (g) the Circular to state that the Whitewash Waiver is subject to compliance with the conditions set out above in sub-paragraphs (i)(a) to (i)(f) above;
 - (h) the Temasek Concert Party Group will obtain SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution; and
 - (i) to rely on the Whitewash Resolution, approval of the Whitewash Resolution must be obtained within three months of 5 June 2020 and the SCI Distribution must be completed within three months of the date on which the approval of the Independent Shareholders for the Whitewash Resolution is obtained; and
- (ii) in respect of SCI:
- (a) the SCI Circular shall (1) contain advice to the effect that by voting for the SCI Distribution, and if the Independent Shareholders approve the Whitewash Resolution, the SCI Shareholders are waiving their right to a general offer at the required price by the Temasek Concert Party Group, which would acquire or consolidate effective control of the Company after the SCI Distribution; and (2) disclose the names and voting rights of each member of the Temasek Concert Party Group which holds Shares as at the latest practicable date of the SCI Circular and after the Rights Issue and the SCI Distribution;
 - (b) the SCI Distribution Resolution being approved by a majority of the SCI Shareholders present and voting at the SCI EGM on a poll who could not become obliged to make an offer for the Company as a result of the SCI Distribution;
 - (c) the Temasek Concert Party Group will abstain from voting on the SCI Distribution Resolution;
 - (d) the directors of SCI who are acting in concert with the Temasek Concert Party Group shall abstain from making a recommendation on the SCI Distribution Resolution in the SCI Circular; and
 - (e) the Temasek Concert Party Group did not acquire or are not to acquire any SCI Shares during the period between (1) when they become aware that the Announcement is imminent and (2) the later of the date on which the SCI Shareholders' approval is obtained for the SCI Distribution Resolution and the date on which the Independent Shareholders' approval is obtained for the Whitewash Resolution.

As at the Latest Practicable Date, save for the condition set out in sub-paragraph (i)(i) above, all the other SIC Conditions set out above have been satisfied.

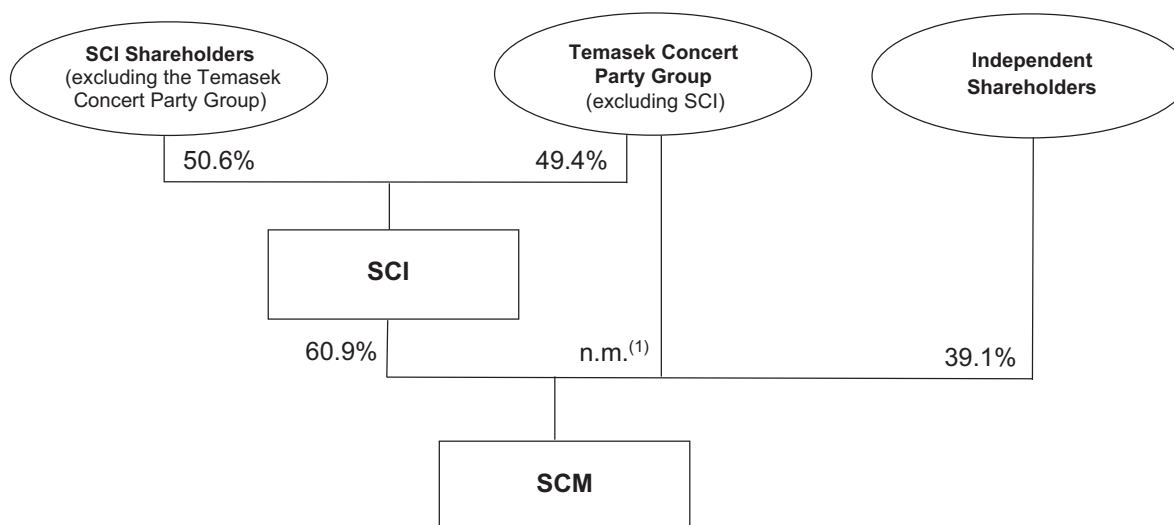
SHAREHOLDING LIMITS

Interests of the Temasek Concert Party Group

As at the Latest Practicable Date, based on information made available by Temasek to the Company:

- (i) **SCI.** The Temasek Concert Party Group holds an interest in an aggregate of 882,236,820¹¹ SCI Shares in issue, representing approximately 49.4 per cent. of the SCI Shares in issue (excluding treasury shares)¹²; and
- (ii) **Company.** The Temasek Concert Party Group holds an interest in an aggregate of 1,274,496,521¹³ Shares in issue, representing approximately 60.9 per cent. of the Shares in issue (excluding treasury shares)¹⁴, which includes a deemed interest in an aggregate of 1,274,270,764 Shares held by SCI.

An illustration of the interests of the Temasek Concert Party Group in SCI and the Company as at the Latest Practicable Date is also set out below:



Note:

- (1) Not meaningful.

¹¹ This comprises (i) 871,200,328 SCI Shares held by Temasek directly; (ii) 9,400,000 SCI Shares held by Startree; (iii) 844,275 SCI Shares held by DBS Group, an associated company of Temasek. DBS Group is an independently-managed Temasek portfolio company and Temasek is not involved in the business or operating decisions of DBS Group, including those regarding its position in SCI Shares; (iv) 161,800 SCI Shares held by certain directors of entities in the Temasek Concert Party Group (excluding SCI and DBS Group, and their respective subsidiaries and associated companies) who are deemed to be acting in concert with Temasek under the Take-over Code; (v) 129,800 SCI Shares held by Dr Teh Kok Peng, a director of SCI; and (vi) 500,617 SCI Shares held by certain directors of DBS Group, its subsidiaries and associated companies.

¹² Calculated based on 1,786,431,697 SCI Shares in issue (excluding 1,116,035 treasury shares) as at the Latest Practicable Date and rounded to the nearest one decimal place.

¹³ As set out in detail at Note (4) to the table below.

¹⁴ Calculated based on 2,092,538,174 Shares in issue (excluding 416,840 treasury shares) as at the Latest Practicable Date and rounded to the nearest one decimal place.

SHAREHOLDING LIMITS

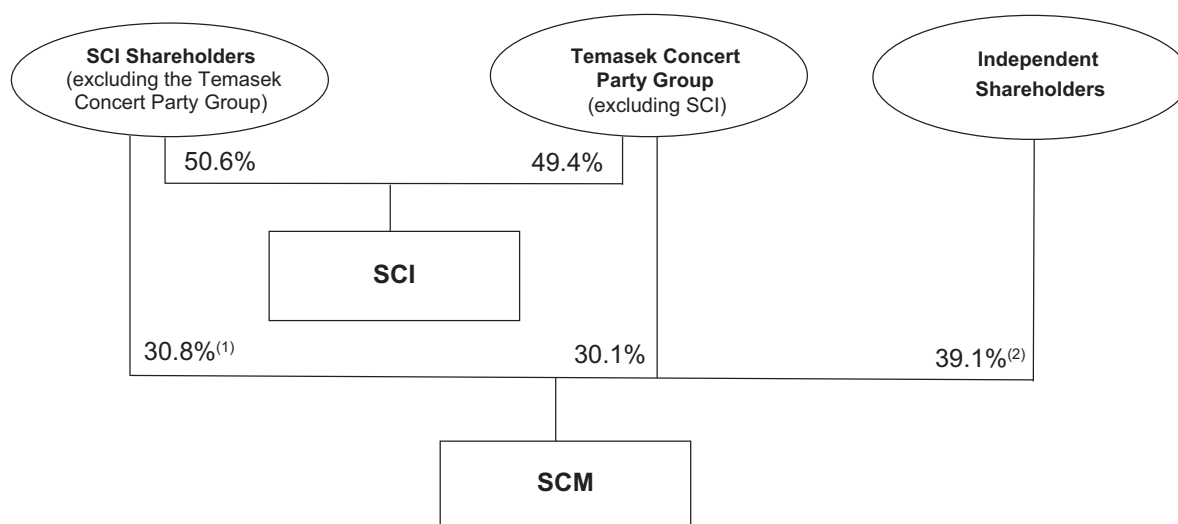
Minimum Resultant Holding of the Temasek Concert Party Group immediately after the Rights Issue and the SCI Distribution

Purely for illustrative purposes only, assuming that:

- (i) there is no change in the number of SCI Shares in which the Temasek Concert Party Group has an interest since the Latest Practicable Date;
- (ii) all Rights Shares are subscribed for by the Shareholders (including SCI which subscribes for the SCI *Pro Rata* Rights Shares but excluding the other members of the Temasek Concert Party Group) and investors such that SCI subscribes only for the SCI *Pro Rata* Rights Shares and no SCI Excess Rights Shares are allocated to SCI and the Relevant Temasek Entity(ies) is/are not required pursuant to the Sub-Underwriting Agreement to subscribe for any Underwritten Rights Shares; and
- (iii) there is no subscription of Rights Shares by any member of the Temasek Concert Party Group (other than SCI) for any of their respective *pro rata* entitlements under the Rights Issue,

and on the basis of 1,786,431,697 SCI Shares in issue (excluding 1,116,035 treasury shares) as at the SCI Distribution Record Date, the Temasek Concert Party Group would hold in aggregate 3,775,317,108 Shares, representing approximately 30.1 per cent. of the Shares in issue immediately following the Rights Issue and the SCI Distribution (the “**Minimum Resultant Holding Scenario**”).

An illustration of the interests of the Temasek Concert Party Group in SCI and the Company under the Minimum Resultant Holding Scenario is also set out below:



Notes:

- (1) This comprises Shares distributed to SCI Shareholders (excluding the Temasek Concert Party Group) pursuant to the SCI Distribution.
- (2) This excludes Shares distributed to SCI Shareholders pursuant to the SCI Distribution.

SHAREHOLDING LIMITS

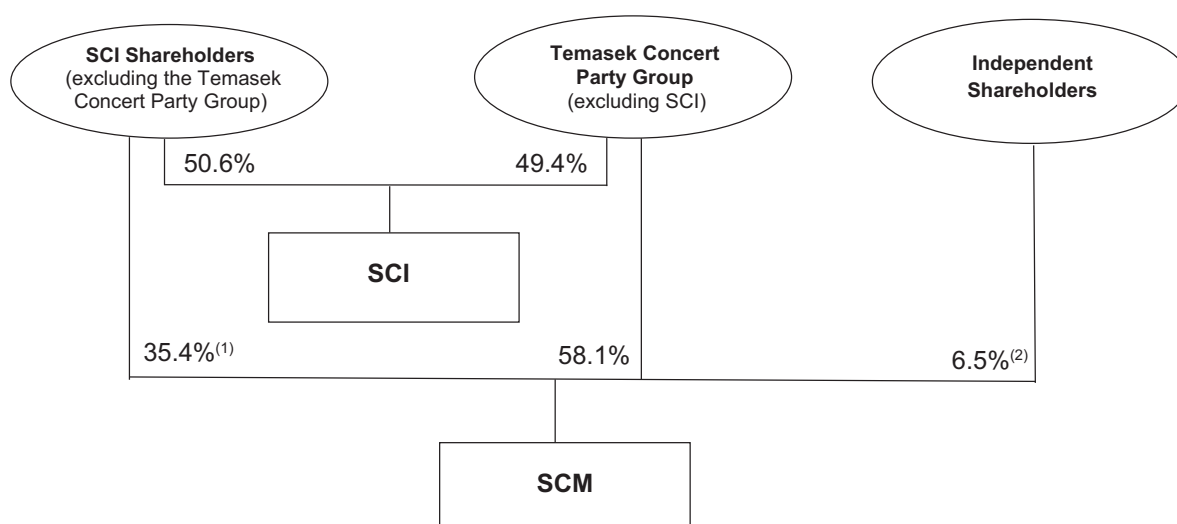
Maximum Resultant Holding of the Temasek Concert Party Group immediately after the Rights Issue and the SCI Distribution

Purely for illustrative purposes only, assuming that:

- (i) there is no change in the number of SCI Shares in which the Temasek Concert Party Group has an interest since the Latest Practicable Date;
- (ii) no Shareholders (other than SCI) or investors subscribe for the Rights Shares, such that SCI is required pursuant to the SCI Undertaking Agreement to subscribe for all of the SCI Undertaken Rights Shares; and
- (iii) the Relevant Temasek Entity(ies) is/are required pursuant to the Sub-Underwriting Agreement to subscribe for all the Underwritten Rights Shares,

and on the basis of 1,786,431,697 SCI Shares in issue (excluding 1,116,035 treasury shares) as at the SCI Distribution Record Date, the Temasek Concert Party Group would hold in aggregate 7,295,581,647 Shares, representing approximately 58.1 per cent. of the Shares in issue immediately following the Rights Issue and the SCI Distribution (the “**Maximum Resultant Holding Scenario**”).

An illustration of the interests of the Temasek Concert Party Group in SCI and the Company under the Maximum Resultant Holding Scenario is also set out below:



Notes:

- (1) This comprises Shares distributed to SCI Shareholders (excluding the Temasek Concert Party Group) pursuant to the SCI Distribution.
- (2) This excludes Shares distributed to SCI Shareholders pursuant to the SCI Distribution.

SHAREHOLDING LIMITS

Potential Dilution Effect

The Rights Shares represent approximately 500.0 per cent. of the Company's issued share capital (excluding treasury shares) as at the Latest Practicable Date and will represent, after completion of the Rights Issue, 83.3 per cent. of the enlarged issued share capital of the Company (excluding treasury shares).

The dilution effect to the shareholdings of the existing Shareholders after the issue of the Rights Shares and the SCI Distribution is as set out below:

	Current Shareholding		After completion of the Rights Issue and the SCI Distribution ⁽¹⁾			
	No. of Shares	% ⁽²⁾	No. of Shares (assuming a Minimum Resultant Holding Scenario)	% ⁽³⁾	No. of Shares (assuming a Maximum Resultant Holding Scenario)	% ⁽³⁾
The Temasek Concert Party Group	1,274,496,521 ⁽⁴⁾	60.9	3,775,317,108 ⁽⁵⁾	30.1	7,295,581,647 ⁽⁶⁾	58.1
Independent Shareholders ⁽⁹⁾	818,041,653	39.1	4,909,378,703 ⁽⁷⁾	39.1	818,041,653 ⁽⁷⁾	6.5
SCI Shareholders (excluding the Temasek Concert Party Group)	-	-	3,870,533,233 ⁽⁸⁾	30.8	4,441,605,744 ⁽⁸⁾	35.4
Total	2,092,538,174	100	12,555,229,044	100	12,555,229,044	100

Notes:

- (1) Based on the assumption that between the Latest Practicable Date and the date of completion of the SCI Distribution, no new Shares have been and/or will be issued or bought back by the Company and no instruments convertible into Shares have been and/or will be converted into Shares.
- (2) Based on a total of 2,092,538,174 Shares (excluding treasury shares) as at the Latest Practicable Date.
- (3) Based on a total of 12,555,229,044 Shares (excluding treasury shares), including 10,462,690,870 Rights Shares.
- (4) This comprises the following:
 - (i) 1,274,270,764 Shares held by SCI, an independently-managed Temasek portfolio company;
 - (ii) 757 Shares held by DBS Group. DBS Group is an independently-managed Temasek portfolio company and Temasek is not involved in the business or operating decisions of DBS Group, including those regarding its position in the Shares;
 - (iii) 200,000 Shares held by Rigel Technology. Rigel Technology is an associated company of Heliconia, which in turn is an indirect wholly-owned subsidiary of Temasek and an independently-managed Temasek portfolio company. Accordingly, under the Take-over Code, Rigel Technology is deemed to be a concert party of Temasek. Temasek is not involved in the business or operating decisions of Rigel Technology or Heliconia, including those regarding their positions in the Shares;
 - (iv) 5,000 Shares held by certain directors of DBS Group, its subsidiaries and associated companies; and
 - (v) 20,000 Shares held by Dr Teh Kok Peng, a director of SCI.
- (5) This comprises the following:
 - (i) 3,768,088,803 Shares held by Temasek and Startree;
 - (ii) 3,613,409 Shares held by DBS Group, assuming (for illustrative purposes only) that it does not subscribe for its *pro rata* entitlement under the Rights Issue. As mentioned above, DBS Group is an independently-managed Temasek portfolio company and Temasek is not involved in the business or operating decisions of DBS Group, including those regarding its position in the Shares;
 - (iii) 200,000 Shares held by Rigel Technology, assuming (for illustrative purposes only) that it does not subscribe for its *pro rata* entitlement under the Rights Issue. As mentioned above, Rigel Technology is an associated company of Heliconia, which in turn is an indirect wholly-owned subsidiary of Temasek and an independently-managed Temasek portfolio company. Accordingly, under the Take-over Code, Rigel Technology is deemed to be a concert party of Temasek. Temasek is not involved in the business or operating decisions of Rigel Technology or Heliconia, including those regarding their positions in the Shares;

SHAREHOLDING LIMITS

- (iv) 575,414 Shares held by Dr Teh Kok Peng, a director of SCI, assuming (for illustrative purposes only) that he does not subscribe for his *pro rata* entitlement under the Rights Issue;
 - (v) 692,342 Shares held by certain other directors of entities in the Temasek Concert Party Group (excluding SCI and DBS Group, and their respective subsidiaries and associated companies) who are deemed to be acting in concert with Temasek under the Take-over Code; and
 - (vi) 2,147,140 Shares held by certain directors of DBS Group, its subsidiaries and associated companies, assuming (for illustrative purposes only) that these directors do not subscribe for their *pro rata* entitlements under the Rights Issue (if applicable).
- (6) This comprises the following:
- (i) 7,287,319,080 Shares held by Temasek, Startree and the Relevant Temasek Entity(ies);
 - (ii) 4,146,991 Shares held by DBS Group, assuming (for illustrative purposes only) that it does not subscribe for its *pro rata* entitlement under the Rights Issue. As mentioned above, DBS Group is an independently-managed Temasek portfolio company and Temasek is not involved in the business or operating decisions of DBS Group, including those regarding its position in the Shares;
 - (iii) 200,000 Shares held by Rigel Technology, assuming (for illustrative purposes only) that it does not subscribe for its *pro rata* entitlement under the Rights Issue. As mentioned above, Rigel Technology is an associated company of Heliconia, which in turn is an indirect wholly-owned subsidiary of Temasek and an independently-managed Temasek portfolio company. Accordingly, under the Take-over Code, Rigel Technology is deemed to be a concert party of Temasek. Temasek is not involved in the business or operating decisions of Rigel Technology or Heliconia, including those regarding their positions in the Shares;
 - (iv) 657,447 Shares held by Dr Teh Kok Peng, a director of SCI, assuming (for illustrative purposes only) that he does not subscribe for his *pro rata* entitlement under the Rights Issue;
 - (v) 794,599 Shares held by certain other directors of entities in the Temasek Concert Party Group (excluding SCI and DBS Group, and their respective subsidiaries and associated companies) who are deemed to be acting in concert with Temasek under the Take-over Code; and
 - (vi) 2,463,530 Shares held by certain directors of DBS Group, its subsidiaries and associated companies, assuming (for illustrative purposes only) that these directors do not subscribe for their *pro rata* entitlements under the Rights Issue (if applicable).
- (7) This excludes Shares distributed to SCI Shareholders pursuant to the SCI Distribution.
- (8) This comprises Shares distributed to SCI Shareholders (excluding the Temasek Concert Party Group) pursuant to the SCI Distribution.
- (9) The shareholdings of the Independent Shareholders include the shareholdings of the Directors (including Tan Sri Mohd Hassan Marican and Koh Chiap Khiong as the SIC has confirmed that their shareholding in the Company need not be aggregated as part of the Temasek Concert Party Group).

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 2 – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.

Names of Directors	Addresses
Tan Sri Mohd Hassan Marican	c/o 80 Tuas South Boulevard Singapore 637051
Bob Tan Beng Hai	c/o 80 Tuas South Boulevard Singapore 637051
Eric Ang Teik Lim	c/o 80 Tuas South Boulevard Singapore 637051
Gina Lee-Wan	c/o 80 Tuas South Boulevard Singapore 637051
William Tan Seng Koon	c/o 80 Tuas South Boulevard Singapore 637051
Patrick Daniel	c/o 80 Tuas South Boulevard Singapore 637051
Tan Wah Yeow	c/o 80 Tuas South Boulevard Singapore 637051
Koh Chiap Khiong	c/o 80 Tuas South Boulevard Singapore 637051
Wong Weng Sun	c/o 80 Tuas South Boulevard Singapore 637051

Advisers

2. Provide the names and addresses of –

- (a) the issue manager to the offer, if any;

Name of Issue Manager	Address
DBS Bank Ltd.	12 Marina Boulevard Marina Bay Financial Centre Tower 3 Singapore 018982

- (b) the underwriter to the offer, if any; and

Name of Underwriter	Address
DBS Bank Ltd.	12 Marina Boulevard Marina Bay Financial Centre Tower 3 Singapore 018982

- (c) the legal adviser for or in relation to the offer, if any.

Legal Adviser to the Company as to Singapore law	Address
Allen & Gledhill LLP	One Marina Boulevard #28-00 Singapore 018989

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Legal Adviser to the Sole Financial Adviser, Lead Manager and Underwriter as to Singapore and United States federal securities laws

Address

Clifford Chance Pte. Ltd.

12 Marina Boulevard
25th Floor
Marina Bay Financial Centre Tower 3
Singapore 018982

Registrars and Agents

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities or securities-based derivatives contracts being offered, where applicable.

Share Registrar

Addresses

KCK CorpServe Pte. Ltd.

333 North Bridge Road
#08-00, KH KEA Building
Singapore 188721

Receiving Bank

DBS Bank Ltd.

12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 3 – OFFER STATISTICS AND TIMETABLE

Offer Statistics

1. **For each method of offer, state the number of the securities or securities-based derivatives contracts being offered.**

Renounceable underwritten Rights Issue of 10,462,690,870 Rights Shares, at an Issue Price of S\$0.20 for each Rights Share, on the basis of five (5) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.

Method and Timetable

2. **Provide the information mentioned in paragraphs 3 to 7 of this Part to the extent applicable to:**

- (a) **the offer procedure; and**
- (b) **where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.**

Please refer to paragraphs 3 to 7 of this Part below.

3. **State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period must be made public.**

Please refer to the section “*Indicative Timetable of Key Events*”.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the Rights and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices A, B and C to this Offer Information Statement and in the ARE, the ARS and the PAL¹⁵.

As at the date of this Offer Information Statement, the Company does not expect the timetable under the section “*Indicative Timetable of Key Events*” to be modified. However, the Company may, in consultation with the Sole Financial Adviser, Lead Manager and Underwriter and with the approval of the SGX-ST and/or CDP, modify the timetable subject to any limitation under any applicable laws. In that event, the Company will publicly announce the same through a SGXNET announcement to be posted on the internet at the SGX-ST’s website <http://www.sgx.com>.

¹⁵ SCI’s obligation to pay the SCI Undertaken Rights Shares Subscription Amount shall be set off against an equivalent amount of the principal amount outstanding and due and owing to SCI by the Company under the Subordinated Credit Facility following the Novation, as further described in paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*”.

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- 4. State the method and time limit for paying up for the securities or securities-based derivatives contracts and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.**

The Rights Shares are payable in full upon acceptance and/or application¹⁶. Details of the methods of payment for the Rights Shares are contained in Appendices A, B and C to this Offer Information Statement and the ARE, ARS and PAL.

Please refer to the section “*Indicative Timetable of Key Events*” for the last date and time for payment for the Rights Shares and, if applicable, Excess Rights Shares.

- 5. State, where applicable, the methods of and time limits for –**

(a) the delivery of the documents evidencing title to the securities or securities-based derivatives contracts being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and

(b) the book-entry transfers of the securities or securities-based derivatives contracts being offered in favour of subscribers or purchasers.

The Rights Shares will be provisionally allotted to Entitled Shareholders by crediting the Rights to Entitled Depositors so that the Rights are available for trading on or about 19 August 2020 or through the despatch of the PALs to Entitled Scripholders on or about 19 August 2020.

In the case of Entitled Scripholders and their renounees with valid acceptances of and/or successful applications for Excess Rights Shares and who have, *inter alia*, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form comprised in the PAL, share certificates representing such number of Rights Shares will be despatched to the relevant subscribers by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained in the records of the Share Registrar, within ten (10) Market Days after the Closing Date.

In the case of Entitled Depositors and Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in the relevant form comprised in the PAL) with valid acceptances of and/or successful applications for Excess Rights Shares, share certificate(s) representing such number of Rights Shares will be registered in the name of CDP or its nominee and despatched to CDP within ten (10) Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares to their relevant Securities Accounts. CDP will then send a notification letter to the relevant subscribers stating the number of Rights Shares that have been credited to their Securities Accounts.

Please refer to Appendices A, B and C to this Offer Information Statement and the ARE, ARS and PAL for further details.

¹⁶ SCI's obligation to pay the SCI Undertaken Rights Shares Subscription Amount shall be set off against an equivalent amount of the principal amount outstanding and due and owing to SCI by the Company under the Subordinated Credit Facility following the Novation, as further described in paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*”.

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6. **In the case of any pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.**

Save for the Rights Issue, none of the Shareholders have pre-emptive rights to subscribe for the Rights Shares. Please refer to Appendices A, B and C to this Offer Information Statement and the ARE, ARS and PAL for details on the procedure for the acceptance of the Rights, application for Excess Rights Shares, trading of the Rights on the SGX-ST and the treatment of the Rights which are not accepted¹⁷.

7. **Provide a full description of the manner in which results of the allotment or allocation of the securities or securities-based derivatives contracts are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).**

Results of the Rights Issue

As soon as practicable after the Closing Date, the Company will announce the results of the Rights Issue through an SGXNET announcement to be posted on the internet at the SGX-ST's website <http://www.sgx.com>.

Manner of Refund

When any acceptance for Rights Shares and/or excess application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of trading of the Rights Shares, by any one or a combination of the following:

- (i) where the acceptance and/or application had been made through CDP, by crediting their designated bank accounts via CDP's Direct Crediting Service or in the case where refunds are to be made to Depository Agents or Member Companies, by means of telegraphic transfer. In the event that an applicant is not subscribed to CDP's Direct Crediting Service, any monies to be returned or refunded will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (such retention by CDP being a good discharge of the Company's and the Sole Financial Adviser, Lead Manager and Underwriter's obligations);
- (ii) where the acceptance and/or application had been made through the Share Registrar, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing address in Singapore as maintained in the records of the Share Registrar; and
- (iii) where the acceptance and/or application had been made through Electronic Applications through an ATM of a Participating Bank, by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge of the Company's, the Sole Financial Adviser, Lead Manager and Underwriter's and CDP's obligations.

¹⁷ SCI's obligation to pay the SCI Undertaken Rights Shares Subscription Amount shall be set off against an equivalent amount of the principal amount outstanding and due and owing to SCI by the Company under the Subordinated Credit Facility following the Novation, as further described in paragraph 7 of the section "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing".

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Please refer to Appendices A, B and C to this Offer Information Statement and the ARE, ARS and PAL for further details of refunding excess amounts paid by applicants¹⁸.

¹⁸ Such procedures for refunding of excess amounts paid by applicants are not applicable to SCI. In this regard, SCI's obligation to pay the SCI Undertaken Rights Shares Subscription Amount shall be set off against an equivalent amount of the principal amount outstanding and due and owing to SCI by the Company under the Subordinated Credit Facility following the Novation, as further described in paragraph 7 of the section "*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*".

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PART 4 – KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.

Please refer to paragraphs 2 to 7 of this Part below.

2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (called in this paragraph and paragraph 3 of this Part the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.

The estimated net proceeds from the Rights Issue (after deducting estimated expenses of approximately S\$9.0 million to be incurred in connection with the Rights Issue) are expected to be approximately S\$2.1 billion.

All net proceeds from the Rights Issue will go to the Company.

3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities or securities-based derivatives contracts.

The Company intends to utilise the net proceeds from the Rights Issue for the following purposes:

Purpose	Amount	Percentage of Proceeds
To repay (including by way of set off in the manner described in paragraph 7 of the section “ <i>Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing</i> ”) the outstanding principal of S\$1.5 billion under the Subordinated Credit Facility	S\$1.5 billion	Approximately 72%
Working capital and general corporate purposes, including debt servicing (which may in turn include payments related to the Subordinated Credit Facility such as intercompany loan fee and loan interest)	S\$0.6 billion	Approximately 28%
Total	S\$2.1 billion	100%

In this regard, in June 2019, SFS entered into the Subordinated Credit Facility with SMFS as borrower and the Company as guarantor, pursuant to which SFS provided SMFS with the Subordinated Loan. On 4 June 2020, SFS and SMFS agreed to, *inter alia*, extend the availability period for the balance principal amount of S\$0.5 billion which remains undrawn. To facilitate the set off arrangements in respect of SCI’s subscription and payment in full for the SCI Undertaken Rights Shares pursuant to the terms of the SCI Undertaking Agreement and the separation of the

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Company from SCI and its subsidiaries following the SCI Distribution, SCI, SFS, the Company and SMFS have entered into the Subordinated Credit Facility Deed of Amendment, pursuant to which SCI, SFS, the Company and SMFS have agreed, *inter alia*, that subject to and conditional upon the terms of the Subordinated Credit Facility Deed of Amendment:

- (i) SFS will novate all of its rights, title, interests, duties and obligations under or in connection with the Subordinated Credit Facility to SCI and SMFS will novate all of its rights, title, interests, duties and obligations under or in connection with the Subordinated Credit Facility to the Company (the “**Novation**”);
- (ii) the terms of the Subordinated Credit Facility will be amended to cancel the availability of the balance commitment of S\$0.5 billion available to be drawn down under the Subordinated Credit Facility (the “**Cancellation**”); and
- (iii) the Company shall, on a date falling on or prior to the fifth business day after the date on which the Company receives the cash proceeds from the Rights Issue and the Rights Shares are issued (or such other date as may be agreed between the parties to the Subordinated Credit Facility Deed of Amendment) (the “**Loan Repayment Date**”), utilise either the cash proceeds from the Rights Issue or its available cash balances to repay all and any outstanding principal amounts under the Subordinated Credit Facility and all interest on the principal amount of the Subordinated Loan accrued and unpaid up to the Loan Repayment Date, as well as all other amounts acknowledged and agreed to be repaid by the Company to SCI as set out in the Subordinated Credit Facility Deed of Amendment, which have not been settled or otherwise repaid on or prior to the Loan Repayment Date. It is anticipated that as at the Loan Repayment Date, the other amounts acknowledged and agreed to be repaid by the Company to SCI as set out in the Subordinated Credit Facility Deed of Amendment will comprise an intercompany loan fee payable under the Subordinated Credit Facility of approximately S\$50,000.

The terms of the Subordinated Credit Facility Deed of Amendment (including the Novation and the Cancellation) shall be subject to and conditional upon, and shall only become effective, upon the satisfaction or waiver (as the case may be) of, *inter alia*, the following conditions precedent:

- (a) the approval of the Shareholders at the EGM for the Rights Issue Resolution, including the allotment and issue of the Rights Shares pursuant to the Rights Issue;
- (b) the approval of the Independent Shareholders at the EGM for the Whitewash Resolution;
- (c) the approval of the SCI Shareholders at the SCI EGM for the SCI Distribution Resolution;
- (d) the approval in-principle from the SGX-ST for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, not having been withdrawn or revoked as at the date of completion of the Rights Issue;
- (e) the lodgment of this Offer Information Statement, together with all other accompanying documents, with the MAS;
- (f) the Whitewash Waiver, which was granted by the SIC on 5 June 2020, not having been withdrawn, revoked or amended, and all conditions to which the Whitewash Waiver is subject having been fulfilled;
- (g) the approval of the SCI 2019 Bondholders having been obtained either in writing or at a meeting of the SCI 2019 Bondholders for amendments to the terms and conditions of the SCI 2019 Bonds to, *inter alia*, waive and/or delete the requirement for the mandatory redemption of the SCI 2019 Bonds upon repayment of the Subordinated Loan. In this regard, the Company understands that SCI and SFS do not currently intend to redeem the SCI 2019 Bonds; and

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- (h) all other approvals of any government whether Singapore or foreign, any department, ministry or agency of any government and any other governmental, administrative, fiscal, monetary or judicial body, as well as all other third party consents, which SCI or SCM reasonably determines are necessary to implement the Rights Issue and the SCI Distribution having been obtained either unconditionally or on conditions satisfactory to SCI and SCM acting reasonably and any such approval or consent not having been withdrawn or revoked (together with the conditions precedent set out in sub-paragraphs (a) to (g), the “**Rights Issue Conditions**”),

and the Closing Date having occurred.

As at the Latest Practicable Date, save for the conditions precedent set out in sub-paragraphs (d), (f) and (h) above relating to the approval in-principle of the SGX-ST, the Whitewash Waiver from the SIC or, as the case may be, the relevant approval or consent not having been, *inter alia*, withdrawn or revoked, and the occurrence of the Closing Date, all the other Rights Issue Conditions set out in the immediately preceding paragraph have been satisfied or waived. In this regard, the approval in-principle from the SGX-ST set out in sub-paragraph (d) above was granted on 22 July 2020. The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Rights, the Company, its subsidiaries and/or the Shares.

Pending the deployment of the net proceeds from the Rights Issue, such net proceeds may be deposited with banks and/or financial institutions as the Directors may deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the proceeds from the Rights Issue, as the funds from the Rights Issue are materially disbursed and provide a status report on the use of the proceeds from the Rights Issue in the Company’s annual report, in accordance with the Listing Manual.

As a result of the entry into the SCI Undertaking Agreement, the Underwriting and Management Agreement and the Sub-Underwriting Agreement, the Rights Issue is effectively fully underwritten and all of the Rights Shares to be allotted and issued by the Company under the Rights Issue will be fully subscribed and paid for.

- 4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.**

For each dollar of the gross proceeds of approximately S\$2.1 billion due to the Company from the Rights Issue, the Company will use:

- (i) approximately 72 cents for the repayment (including by way of set off) of the outstanding principal of S\$1.5 billion under the Subordinated Credit Facility;
- (ii) approximately 28 cents for working capital and general corporate purposes, including debt servicing (which may in turn include payments related to the Subordinated Credit Facility such as intercompany loan fee and loan interest); and
- (iii) approximately 0.4 cents to pay for the expenses incurred in connection with the Rights Issue.

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5. **If any material part of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of any asset, business or entity, briefly describe the asset, business or entity and state its purchase price. Provide information on the status of the acquisition and the estimated completion date. Where funds have already been expended for the acquisition, state the amount that has been paid by the relevant entity, or, if the relevant entity is the holding company or holding entity of a group, the amount that has been paid by the relevant entity or any other entity in the group as at the latest practicable date. If the asset, business or entity has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined and whether the acquisition is on an arm's length basis.**

Not applicable. There is no intention to use the net proceeds from the Rights Issue, directly or indirectly, to acquire or refinance the acquisition of an asset, business or entity.

6. **If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**

S\$1.5 billion (or approximately 72%) of the net proceeds from the Rights Issue will be utilised to repay (including by way of set off) the outstanding principal of S\$1.5 billion under the Subordinated Credit Facility that is due to mature in July 2024. In this regard, the outstanding principal of S\$1.5 billion drawn down under the Subordinated Credit Facility in 2019 was utilised to retire approximately S\$1.5 billion of the Group's borrowings.

The remaining S\$0.6 billion (or approximately 28%) of the net proceeds from the Rights Issue will be utilised for working capital and general corporate purposes, including debt servicing (which may in turn include payments related to the Subordinated Credit Facility such as intercompany loan fee and loan interest). In this regard, apart from payments related to the Subordinated Credit Facility, none of the remaining S\$0.6 billion of the net proceeds from the Rights Issue has been earmarked as of the Latest Practicable Date to discharge, reduce or retire any indebtedness of the Group.

7. **In the section containing the information mentioned in paragraphs 2 to 6 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters, or other placement or selling agents in relation to the offer, and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.**

Pursuant to the Underwriting and Management Agreement, the Company will pay the Sole Financial Adviser, Lead Manager and Underwriter an underwriting commission of 0.15 per cent. of the Issue Price multiplied by the Underwritten Rights Shares (being a total of up to approximately S\$889,000).

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Information on the Relevant Entity

8. Provide the following information:

- (a) **the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office), and the email address of the relevant entity or a representative of the relevant entity;**

Registered Office and Principal Place of Business : 80 Tuas South Boulevard Singapore 637051

Telephone Number : +65 6265 1766

Facsimile Number : +65 6710 3182

Email Address : investor.relations@sembmarine.com

- (b) **the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;**

Overview of the Company

Introduction

The Company provides innovative engineering solutions to the global offshore, marine and energy industries. Headquartered in Singapore, the Company 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. Its solutions focus on the following areas: Gas Value Chain; Renewable Energy; Process; Advanced Drilling Rigs; Ocean Living; and Maritime Security.

The Company'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.

The Company operates shipyards and other facilities strategically located in Singapore, Indonesia, the United Kingdom, Norway and Brazil.

To successfully compete in the global arena, the Company has implemented three key strategies:

- (i) Proactive diversification and expansion into new and existing markets;
- (ii) Strategic strengthening of yard capabilities; and
- (iii) Innovation development through investment in intellectual property, technology and solutions that provide a differentiated edge.

These are further described below.

Proactive Diversification and Expansion into New and Existing Markets

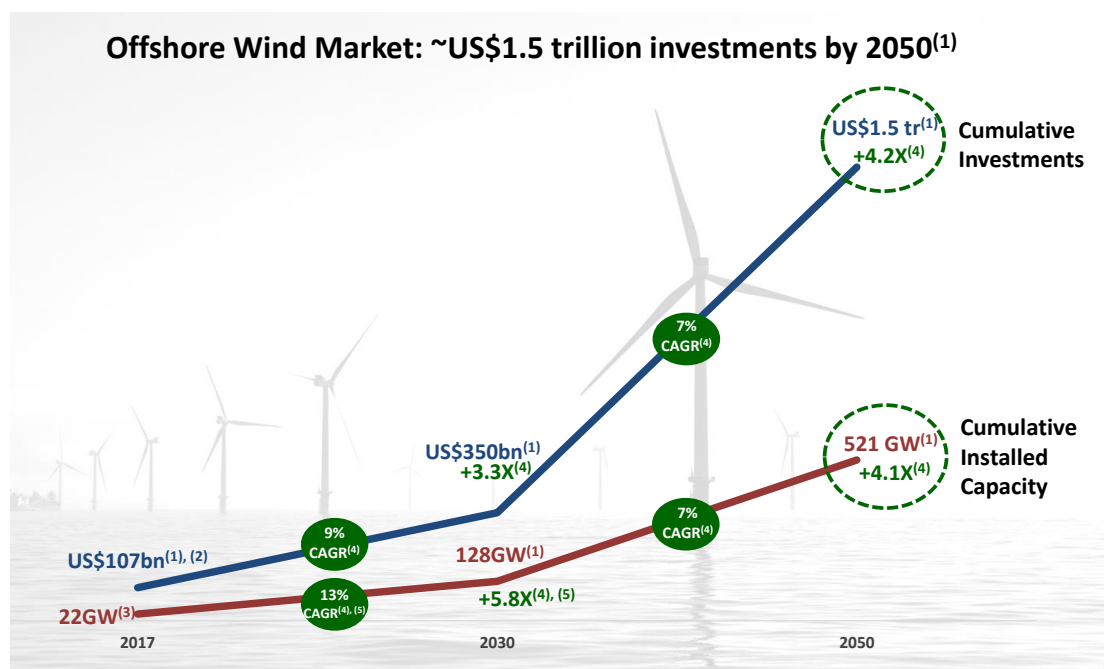
While oil and gas remain the dominant focus, the Company has proactively diversified its business and product segments towards the provision of clean energy solutions. Such solutions leverage its integrated marine and offshore engineering capabilities to provide the

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full value chain of offshore wind and offshore gas products and solutions. One such project undertaken by the Company is the ongoing construction of two substation platform topsides and accompanying jackets for Hornsea 2, the world's largest offshore wind farm with a 1.4 GW capacity, located in the United Kingdom North Sea.

In July 2020, RWE Renewables, the owner of the 1.4 GW Sofia Offshore Wind Farm which is also in the United Kingdom North Sea, selected the Company and its consortium partner GE's Grid Solutions as the preferred suppliers for the wind farm's HVDC electrical transmission system. The Company's scope of work in this project includes the design, construction, installation and commissioning of an offshore converter platform. Early design works have started, ahead of the Sofia Offshore Wind Farm's final investment decision in the first quarter of 2021.

With significant growth expected in the offshore wind market over the next 30 years, the Company will focus on gaining further traction in this segment.



Sources:

- (1) International Renewable Energy Agency, "Renewable Energy Benefits: Leveraging Local Capacity for Offshore Wind", published in May 2018, https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2018/May/IRENA_Leveraging_for_Offshore_Wind_2018.pdf. International Renewable Energy Agency has not consented for the purposes of Sections 249 and 277 of the SFA to the inclusion of the information referred to above and is thereby not liable for such information under Sections 253 and 254 of the SFA. While the Company and the Sole Financial Adviser, Lead Manager and Underwriter have taken reasonable actions to ensure that the above information has been reproduced in its proper form and context, neither the Company nor the Sole Financial Adviser, Lead Manager and Underwriter has conducted an independent review of this information nor verified the accuracy of such information.
- (2) This refers to the cumulative investments in the offshore wind market and the onshore wind market; information on the cumulative investments in the offshore wind market only in 2017 is not available.
- (3) U.S. Department of Energy, "2018 Offshore Wind Technologies Market Report", published in August 2019, <https://www.energy.gov/sites/prod/files/2019/08/f65/2018%20Offshore%20Wind%20Market%20Report.pdf>. U.S. Department of Energy has not consented for the purposes of Sections 249 and 277 of the SFA to the inclusion of the information referred to above and is thereby not liable for such information under Sections 253 and 254 of the SFA. While the Company and the Sole Financial Adviser, Lead Manager and Underwriter have taken reasonable actions to ensure that the above information has been reproduced in its proper form and context, neither the Company nor the Sole Financial Adviser, Lead Manager and Underwriter has conducted an independent review of this information nor verified the accuracy of such information.

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This refers to the approximate cumulative installed capacity in the offshore wind market by the end of 2018.

- (4) SCM's analysis.
- (5) This is computed based on the growth in cumulative installed capacity from 22 GW in 2017 to 128 GW in 2030.

Note:

In the chart above, "CAGR" means compound annual growth rate, "bn" means billion and "tr" means trillion.

The Company's diversification and expansion into other clean solutions segments (including gas value chain and renewable energy) serves to (i) increasingly align its business with the global shift towards cleaner products and solutions and strengthen its market share, and (ii) build greater resilience by reducing its exposure to the volatility of the offshore oil and gas sector.

This proactive diversification and expansion strategy is bearing fruit, with the Company achieving S\$530 million of new orders in FY2019 (about one-third of the year's total of S\$1.5 billion) from green energy solutions.

Further, the Company has built on its integrated marine and offshore engineering capabilities to move up the value chain and provide a wider suite of products and solutions for its existing business segments. The strategy is aimed at strengthening the Company's competitiveness in winning more orders and improving its overall profitability over the longer term. For example, the product areas for the Company's Specialised Shipbuilding commercial unit include gas value chain vessels (compressed gas liquid and LNG) and renewable energy support vessels and offshore support vessels (heavy-lift, pipe-lay and accommodation).

Strategic Strengthening of Yard Capabilities

In continuously strengthening its yard facilities and strategic capabilities to deliver optimal production flexibility and efficiency, the Company seeks to differentiate itself from its global competitors. An example is the Company's flagship Tuas Boulevard Yard, where its new 30,000-tonne capacity gantry cranes, the largest of their kind in the offshore industry, greatly enhance the Company's value proposition as a one-stop production centre capable of fabricating, assembling and installing larger and heavier integrated structures with greater cost-efficiency. This will also reduce the time to completion and improve execution quality and safety.

Tuas Boulevard Yard also has the region's longest and deepest ship repair dry docks that can accommodate ultra-large 18,000 twenty-foot equivalent unit (TEU) container carriers and the repair and upgrade of mega-size cruise vessels and LNG carriers. The Company is consistently ranked among the world leaders for the repair and upgrade of cruise ships and LNG carriers. In 2019, the Company carried out 55 LNG-related repair and upgrade jobs - a record high number of such contracts awarded to a single service provider in the global LNG segment. It also secured 16 cruise ship projects in the same year, retaining its decade-long position as Asia's top cruise vessel repair and upgrading company.

Innovation Development through Investment in Intellectual Property, Technology and Solutions

In recent years, the Company has strategically acquired intellectual property, technologies and engineering talent that provided access to innovative designs for specialised vessels such as fully battery-operated roll-on, roll-off passenger and vehicle ferries, and other green products and solutions. Coupled with long-term investments in research and development

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and disruptive technologies, these strategic innovation development initiatives position the Company at the forefront with an ability to offer and compete for a wider range of highly customised or repeatable products and solutions in its target business segments.

The Company's key strategies will fortify its resilience and competitive edge to ride through the current oil and gas industry downturn and subsequent recovery, and to seize opportunities in other business segments, especially in renewable energy and other green solutions. These strategies are aimed at improving the Company's financial performance and generating sustainable returns for Shareholders.

Overview of Business Segments

Rigs & Floaters

By harnessing the Company's globally-integrated design and execution capabilities, Rigs & Floaters provides turnkey solutions for complex projects.

The product areas include design, engineering, procurement, construction and commissioning of:

- (i) Offshore newbuildings and conversions, including floating storage and offloading vessels (FSO), floating production, storage and offloading vessels (FPSO), floating drilling, production, storage and offloading vessels (FDPSO), floating production units (FPU) and mobile offshore production units (MOPU);
- (ii) Gas terminals (including Gravifloat nearshore modular terminal solutions), floating liquefied natural gas vessels (FLNG) and floating storage regasification units (FSRU);
- (iii) Jack-ups, semi-submersibles and drillships; and
- (iv) Sevan SSP cylindrical hull solutions, tension leg platforms (TLP) and SPARs (floating oil platforms typically used in very deep waters).

Repairs & Upgrades

Repairs & Upgrades offers one-stop repair and upgrade solutions for all types of marine and offshore vessels and structures.

The product areas include:

- (i) Repair, refurbishment, retrofitting and life-extension of vessels, including gas carriers (LNG/LPG), cruise ships, ferries, mega-yachts, naval vessels, conventional tankers, container carriers and bulk carriers;
- (ii) Turnkey upgrading and conversion of FPSOs, floating storage units (FSU), FSRUs, as well as marine and offshore structures (including floating production vessels and mobile offshore drilling units (MODU));
- (iii) Green technology retrofits, including scrubbers, BWMS and fuel saving technologies;
- (iv) Specialised projects, including jumboisation and dejumboisation; and
- (v) Full range of afloat and emergency repairs and services, including underwater cleaning and repairs as well as riding crew and voyage repairs.

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Offshore Platforms

Offshore Platforms provides design and construction solutions for a wide range of offshore platforms, catering to the highest technical specifications for a global customer base.

The product areas include turnkey engineering, procurement, construction, transportation, installation, offshore hook-up, commissioning and brownfield solutions for:

- (i) Offshore oil and gas fixed platforms (including integrated production facilities, utility and living quarters, compression and power generation, well head and risers, and jackets);
- (ii) Offshore wind energy fixed platforms (including substation platforms and wind turbine foundations); and
- (iii) Onshore LNG and process modules.

Specialised Shipbuilding

Specialised Shipbuilding provides design and construction solutions for high-performance, specialised vessels.

The product areas include:

- (i) Gas value chain vessels (compressed gas liquid and LNG);
- (ii) Passenger and car ferries, expedition ships and cruise vessels;
- (iii) Renewable energy support vessels and offshore support vessels (heavy-lift, pipe-lay and accommodation);
- (iv) Naval support and security vessels; and
- (v) Research and scientific survey vessels.

The solutions of the Company's four commercial units are underpinned by a number of technology subsidiaries in the Company's global network, including:

- (a) LMG Marin, a naval architecture and ship design firm with over 75 years of history and an extensive portfolio of leading-edge vessel designs;
- (b) Sevan SSP, known in the industry for its cylindrical hull solutions that are especially suited for harsh-environment operations; and
- (c) Gravifloat, with its unique modular nearshore solutions such as LNG export and import terminals for the gas value chain.

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- (c) the general development of the business from the beginning of the period comprising the 3 most recently completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since –
- (i) the end of the most recently completed financial year for which financial statements of the relevant entity have been published; or
 - (ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;

General business developments in FY2017

Rigs and Floaters

In March 2017, the Group delivered the Pioneiro de Libra FPSO to joint owners Odebrecht Oil and Gas and Teekay Offshore Partners. The FPSO was deployed at Brazil's giant Libra field, achieving first oil in November 2017.

In September 2017, FSO Ailsa, the Group's first turnkey FSO newbuilding project that included engineering, procurement, construction and commissioning (EPCC) works, was launched. The Group also secured hull carry over works worth about US\$145 million from Tupi B.V. for the FPSO P-68 Tupi Project.

In October 2017, the Group agreed to sell nine jack-up rigs to Borr Drilling. The Group delivered one of the jack-up rigs to Borr Drilling in November 2017.

In December 2017, the Group secured a US\$490 million contract from Statoil (now known as Equinor) for engineering, procurement and construction of the hull and living quarters for a newbuild FPSO, to be deployed in the Johan Castberg field development.

In December 2017, the Group agreed to sell the semi-submersible rig West Rigel to a buyer at the price of US\$500 million.

The Group also continued with the engineering and construction of Sleipnir, a semi-submersible crane vessel (SSCV) through FY2017, and was involved in hull carry over works for the P-68 FPSO and topside modules construction and integration for the P-68 and P-71 FPSOs in its Estaleiro Jurong Aracruz yard in Brazil.

Repairs & Upgrades

The Group performed a total of 390 dry-dockings, repairs and upgrades in FY2017.

The Group repaired and upgraded 16 cruise ships, including the completion of the repair and upgrade of Windstar Cruises' cruise ship Star Legend in December 2017, and also repaired and upgraded 34 LNG ships. The Group also completed 11 installations and retrofits of different types of BWMS for various owners, despite the deferment of the Ballast Water Management Convention to 2019.

In January 2017, the Group signed an alliance agreement with Chevron Shipping USA, making the Group the exclusive partner for the repair of LNG carriers owned and managed by Chevron.

In July 2017, the Randgrid FSO was successfully delivered to Teekay Offshore Partners for a charter with Statoil's Gina Krog oil and gas field in the Norwegian North Sea.

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Offshore Platforms

The Group focussed on the work-in-progress of the Maersk Oil Culzean topsides project during FY2017.

In addition, the Group completed fabrication of Yamal LNG modules at PT SMOE Indonesia, continued construction of a power generation module and other infrastructure at Sembmarine SLP yard in the United Kingdom.

Others

In November 2017, the Group signed a memorandum of understanding with DNV GL, A*STAR's Singapore Institute of Manufacturing Technology (SIMTech) and National Additive Manufacturing Innovation Cluster (NAMIC) to develop disruptive applications in Additive Manufacturing, Drone and Digital Twin technologies.

General business developments in FY2018

Rigs and Floaters

In March 2018, the Group secured a contract from TechnipFMC to undertake the engineering, procurement, construction and integration of hull, living quarters, topside modules and owner-furnished equipment for a newbuild FPSO.

In May 2018, the Group was awarded a contract by Shell to construct and integrate the hull, topsides and living quarters for the Vito semi-submersible FPU.

In May 2018, the Group completed the newbuild FSO Ailsa for subsequent delivery to the MODEC, Inc. group.

In May 2018, the Group completed the sale of the semi-submersible rig West Rigel.

During FY2018, seven jack-up rigs were delivered to Borr Drilling and one jack-up rig was delivered to BOT Lease Co. In addition, the Group delivered the Kaombo Norte and the Kaombo Sul FPSO conversion projects to Saipem for the Kaombo field located in offshore Angola.

Through FY2018, the Group continued with the engineering and construction of Sleipnir, a semi-submersible crane vessel (SSCV) as well as the construction of two high-specification ultra-deepwater drillships for Transocean.

Engineering works also commenced for the following key offshore production contracts: (i) turnkey engineering, procurement and construction of a newbuild FPSO hull and living quarters for Equinor, to be deployed at the Johan Castberg field development in the Barents Sea; (ii) construction and integration of hull, topsides and living quarters for the Shell Vito semi-submersible FPU; and (iii) engineering, procurement, construction and integration of a newbuild FPSO hull, living quarters, topside modules and owner-furnished equipment for TechnipFMC.

Repairs & Upgrades

The Group performed a total of 296 dry-dockings, repairs and upgrades in FY2018, including 41 LNG ships serviced and upgraded. The Group also completed 10 cruise vessel projects.

Major offshore repairs and upgrades completed in FY2018 included the upgrading of FPSO Pyrenees Venture for the MODEC, Inc. group as well as repair and demucking works for Chevron Thailand's Benchamas FSO.

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The Group completed a number of BWMS retrofit projects in FY2018, including three for Princess Cruise Lines. The Group also completed scrubber installation projects on a cruise ship and two tankers.

In FY2018, the Group achieved S\$160 million new orders for retrofitting BWMS and gas scrubbers on 58 vessels. These included a major green technology retrofit contract from Maran Tankers for the installation of 13 marine scrubbers and four BWMS.

Offshore Platforms

In May 2018, the Group delivered the Maersk Oil Culzean topsides project, which were constructed at the Sembcorp Marine Admiralty Yard over 32 months. The topsides comprised wellhead, utilities, living quarters as well as a central processing facility.

In FY2018, the Group was awarded a contract for engineering, procurement, hook-up and commissioning works to deliver two offshore wind farm substation topsides to Ørsted Wind Power's subsidiary Optimus Wind Limited, which will be deployed at the Hornsea 2 Offshore Wind Farm in the United Kingdom North Sea.

Specialised Shipbuilding

In June 2018, the Company's subsidiary, LMG Marin, secured its first polar expedition cruise ship design contract, to be constructed for Quark Expeditions®, which specialises in expeditions to the Arctic and Antarctic aboard purpose-build expedition vessels.

In October 2018, the Group won its first design-and-construction ROPAX project comprising three identical zero-emissions battery powered ROPAX ferries.

Others

In September 2018, the Group completed the acquisition of, among others, the interests and titles to all of Sevan Marine ASA's intellectual property and 100% equity interest in HiLoad LNG AS (a subsidiary of Sevan Marine ASA which held certain intellectual property rights).

In September 2018, the Group also signed a memorandum of understanding with American Bureau of Shipping (ABS) and A*STAR's Institute of High Performance Computing (IHPC) to develop new technologies, applications and capabilities that advance the adoption of LNG as a globally preferred fuel.

General business developments in FY2019

Rigs and Floaters

In July 2019, the Group safely and successfully delivered Sleipnir, a semi-submersible crane vessel (SSCV) to Heerema Marine Contractors.

In September 2019, the Group signed agreements with joint venture companies of Shapoorji Pallonji Oil and Gas Private Limited and Bumi Armada Berhad to convert Ariake, a very large crude carrier into an FPSO unit for deployment in the east coast of India. The project included hull repairs and upgrading as well as fabrication of at least three topside modules to be installed on the vessel.

In September 2019, the Group's Brazilian shipyard Estaleiro Jurong Aracruz completed Petrobras P-68 FPSO, its first floating production, storage and offloading project.

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In November 2019, the Group was awarded a contract from Shell to build and integrate the topside and hull of a floating production unit (FPU) for the Whale field in the Gulf of Mexico. In addition, the Group delivered the Q7000 well intervention semi-submersible rig to Helix Energy Solutions Group.

Repairs & Upgrades

The Group serviced 280 vessels in FY2019, including 55 LNG-related repair and upgrade jobs.

In February 2019, the Group secured contracts for the repair and modernisation works on 13 cruise ships.

In September 2019, the Group added three new gas projects to its portfolio, namely: (i) the conversion of LNG tanker Dwiputra into a 125,000 cbm FSRU for a joint venture between Mitsui O.S.K. Lines, Ltd and Karpower International B.V.; (ii) the conversion of NYK Line's former gas carrier LNG Flora into a 127,000 cbm FSU for Gasfin Development S.A.; and (iii) upgrading works on the 173,400 cbm FSRU BW Magna for BW LNG Pte Ltd.

Offshore Platforms

In September 2019, the Group was awarded a contract with Jan De Nul n.v. to fabricate 15 jacket foundations for the Formosa 2 Offshore Wind Farm.

In December 2019, the Group was awarded two offshore platform contracts worth over S\$550 million to (i) fabricate two well head platforms for the Al Shaheen oil field in Qatari waters, which will be bridge-linked to the field's existing facilities; and (ii) fabricate certain platforms and bridges for the Tyra field redevelopment project in the Danish North Sea.

Specialised Shipbuilding

In February 2019, the Group secured a new contract for its first LNG bunker vessel construction project - the design and construction of a 12,000 cbm LNG bunker vessel.

In FY2019, the Group continued the construction of three battery-powered ROPAX ferries, to be delivered in late 2020.

Others

In January 2019, the Company's wholly-owned subsidiaries, Sembcorp Marine Repairs & Upgrades Pte. Ltd. ("**SMRU**") and Semb-Eco Pte. Ltd. ("**Semb-Eco**"), entered into a share swap agreement with Ecospec Global Technology Pte Ltd ("**EGT**") and its shareholders, Mr Chew Hwee Hong and Neonlite Investment Pte Ltd, to exchange 20% of the issued share capital of EGT for 45% of the issued share capital of Semb-Eco. In connection with the foregoing, EGT had assigned to SMRU certain of its intellectual property and proprietary rights. In addition, SMRU acquired certain Semb-Eco core patents, which are applied in the development of the following offshore and marine solutions: (i) ballast water treatment; (ii) exhaust gas cleaning; (iii) biofouling control; and (iv) corrosion control.

In October 2019, the Company announced that the Group had achieved a full and final settlement of its claims under drillship contracts secured by the Group from Sete Group, subject to certain conditions precedent being fulfilled. The Company subsequently announced in February 2020 that all conditions precedent were fulfilled and the settlement agreement became effective. As part of the settlement agreement, the Group's arbitration proceedings against various subsidiaries of Sete Brasil were terminated.

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General business developments in 1H2020

In May 2020, the Company announced that the COVID-19 pandemic had resulted in delays in the execution and completion of its existing projects, and that the collapse in oil prices had significantly affected its securing of new orders.

On 8 June 2020, the Company announced the Rights Issue and the SCI Distribution. The Company also announced that the Group continues to be impacted by the following ongoing developments:

- operational and supply chain disruptions due to the COVID-19 pandemic and government measures to control the pandemic in Singapore; and
- major oil companies deferring their final investment decisions for project sanctions and cutting their capital expenditure significantly for 2020 due to low and volatile oil prices.

Due to the “circuit breaker” measures imposed by the Singapore government, the Group’s yard production activities were suspended from 7 April 2020 to July 2020, which has resulted in completion of the Group’s ongoing projects being delayed. Sustained low and volatile oil prices also continue to affect the Group’s securing of new orders, with no significant new orders having been secured since the beginning of FY2020 and up to 30 June 2020.

In addition, the Group’s Repairs & Upgrades business has increasingly been affected by disruptions to global shipping and cruise operations.

In light of the foregoing, the Company has determined that it needs to recapitalise, address liquidity requirements and strengthen its balance sheet by way of the Rights Issue.

With the lifting of some COVID-19 measures in Singapore since June 2020, the Company was allowed to gradually resume yard operations on 6 July 2020, and this is being done safely and progressively. The Company is working closely with its customers to restart the execution of existing projects.

General business developments from 1 July 2020 to the Latest Practicable Date

In July 2020, RWE Renewables, the owner of the 1.4 GW Sofia Offshore Wind Farm in the United Kingdom North Sea, selected the Company and its consortium partner GE’s Grid Solutions as the preferred suppliers for the wind farm’s HVDC electrical transmission system. The Company’s scope of work in this project includes the design, construction, installation and commissioning of an offshore converter platform. Early design works have started, ahead of the Sofia Offshore Wind Farm’s final investment decision in the first quarter of 2021.

On 15 July 2020, the Company announced that KPMG Auditores Independentes (“**KPMG AI**”), the Independent Auditors for EJA have issued a disclaimer of opinion in their Independent Auditors’ Report dated 13 July 2020 in relation to the financial statements of EJA for FY2019 (“**EJA FY2019 Financial Statements**”) (“**KPMG AI Opinion**”). It was noted that the Brazilian authorities executed a search warrant at EJA’s facilities on 3 July 2019, which was connected with the on-going investigations conducted in connection with Operation Car Wash in Brazil. As the internal investigation being conducted by external counsel under the supervision of the Special Committee of the Group is still in progress, the KPMG AI Opinion was issued as KPMG AI was unable to obtain sufficient appropriate audit evidence from the ongoing work and from other sources about the potential impact of this matter on the EJA FY2019 Financial Statements. As also announced on 15 July 2020, the KPMG AI Opinion does not have a material impact on the Group’s financial position or consolidated financial statements for FY2019. As stated in the announcement on 15 July

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2020, the KPMG AI Opinion does not change the audit opinion issued by KPMG LLP, the Independent Auditors of the Group, on 3 March 2020 on the Group's consolidated financial statements for FY2019.

Subsequent to the Latest Practicable Date, on 11 August 2020, the Company announced that the Rights Issue Resolution and the Whitewash Resolution were approved and passed by Shareholders and Independent Shareholders respectively at the EGM, and that the SCI Distribution Resolution was approved and passed by SCI Shareholders at the SCI EGM.

(d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing –

(i) in the case of the equity capital, the issued capital; or

(ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;

As at the Latest Practicable Date, the issued share capital of the Company is approximately S\$488.8 million comprising 2,092,955,014 Shares (including 416,840 Shares held in treasury).

As at the Latest Practicable Date, the Company does not have any issued and outstanding debentures. In this regard, as at the Latest Practicable Date, the Company's wholly-owned subsidiary, Jurong Shipyard Pte Ltd, has issued certain medium term notes (as further described below) under the Company's S\$2 billion multicurrency multi-issuer debt issuance programme (under which the Company and certain of its subsidiaries may from time to time issue notes and/or perpetual securities). The obligations in respect of securities issued by the Company's subsidiaries under such programme will be unconditionally and irrevocably guaranteed by the Company.

Securities	Amount issued	Amount outstanding	Coupon per annum
Medium term notes due 2021	S\$275,000,000	S\$275,000,000	2.95%
Medium term notes due 2029	S\$325,000,000	S\$325,000,000	3.85%

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(e) where –

- (i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or
- (ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;

The interests of the Substantial Shareholders as at the Latest Practicable Date are set out below:

Substantial Shareholder	Number of Shares			
	Direct Interest	% ⁽¹⁾	Deemed Interest	% ⁽¹⁾
SCI	1,274,270,764	60.9	-	-
Temasek ⁽²⁾	-	-	1,274,471,521	60.9

Notes:

- (1) Based on 2,092,538,174 Shares in issue (excluding 416,840 treasury shares) as at the Latest Practicable Date.
- (2) Temasek is deemed to be interested in (i) 1,274,270,764 Shares held by SCI, its associated company and an independently-managed Temasek portfolio company; (ii) 757 Shares held by its associated company, DBS Group; and (iii) 200,000 Shares held by Rigel Technology, pursuant to Section 4 of the SFA. DBS Group is an independently-managed Temasek portfolio company and Temasek is not involved in the business or operating decisions of DBS Group, including those regarding its position in the Shares. Rigel Technology is an associated company of Heliconia, which in turn is an indirect wholly-owned subsidiary of Temasek and an independently-managed Temasek portfolio company. Temasek is not involved in the business or operating decisions of Rigel Technology or Heliconia, including those regarding their positions in the Shares.

(f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;

The Company announced on 22 April 2016 that the Group had commenced arbitration proceedings against various subsidiaries of Sete Brasil for claims under drillship contracts secured by the Group from Sete Group, following the filing by Sete Brasil for a judicial restructuring in Brazil. In this regard, the subsidiaries of the Company entered into seven contracts for construction of drillships for subsidiaries of Sete Brasil in 2012. Such contracts have a total contract price of US\$5.6 billion. The Company further announced on 7 October 2019 that the Group had reached a full and final settlement of the claims under such contracts with Sete Group, subject to certain conditions precedent being fulfilled. The Company subsequently announced on 6 February 2020 that all conditions precedent were fulfilled and the settlement agreement became effective. As part of the settlement agreement, the Group's arbitration proceedings against various subsidiaries of Sete Brasil were terminated.

Save as disclosed, as at the date of this Offer Information Statement, the Directors are not aware of any legal or arbitration proceedings to which any member of the Group is a party or which is pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of this Offer Information Statement, a material effect on the financial position or profitability of the Group.

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(g) where any securities, securities-based derivatives contracts or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –

(i) if the securities, securities-based derivatives contracts or equity interests have been issued for cash, state the prices at which the securities or securities-based derivatives contracts have been issued and the number of securities, securities-based derivatives contracts or equity interests issued at each price; or

Not applicable. The Company did not issue any securities, securities-based derivatives contracts or equity interests for cash in the 12 months immediately preceding the Latest Practicable Date.

(ii) if the securities, securities-based derivatives contracts or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities, securities-based derivatives contracts or equity interests;

Not applicable. The Company has not issued any securities, securities-based derivatives contracts or equity interests in return for services (in the sense of services provided by a service provider as opposed to services provided in the course of employment) within the 12 months immediately preceding the Latest Practicable Date.

For the avoidance of doubt, the Company has from time to time granted awards under the SCM RSP 2010 to directors and employees of the Group as well as awards under the SCM PSP 2010 to key executives of the Group, and has allotted and issued Shares pursuant to the release of such awards.

(h) a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.

Save as disclosed below, the members of the Group have not entered into any material contracts outside the ordinary course of business for the period of two years immediately preceding the date of lodgment of this Offer Information Statement:

(i) the Underwriting and Management Agreement, the details of which are set out under paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*”;

(ii) the SCI Undertaking Agreement, the details of which are set out under paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*”;

(iii) the Subordinated Credit Facility Agreement dated 21 June 2019 entered into between SFS as lender, SMFS as borrower and the Company as guarantor, pursuant to which SFS provided SMFS with the Subordinated Loan;

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- (iv) an Amendment Agreement dated 4 June 2020 (in respect of the Subordinated Credit Facility Agreement referred to in sub-paragraph (iii) above) entered into by SFS as lender, SMFS as borrower and the Company as guarantor, pursuant to which SFS and SMFS agreed to, *inter alia*, extend the availability period for the balance principal amount of S\$0.5 billion which remains undrawn under the Subordinated Credit Facility;
- (v) the Subordinated Credit Facility Deed of Amendment, the details of which are set out under paragraph 3 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information*”;
- (vi) an agreement dated 9 October 2019 entered into between Dolphin Shipping Company Private Limited, a wholly-owned subsidiary of the Company, PACC Offshore Services Holdings Ltd. (“**POSH**”) and Pacific Workboats Pte. Ltd. (“**PWPL**”) in connection with the disposal of a 50% shareholding interest in the capital of PWPL to POSH for an aggregate consideration of approximately US\$0.7 million and a distribution of dividends *in specie*; and
- (vii) a settlement agreement entered into between the subsidiaries of the Company and various subsidiaries of Sete Brasil on 27 March 2019, with an effective date of 6 February 2020, in connection with the full and final settlement of the claims under drillship contracts secured by the Group from Sete Group. In this regard, the subsidiaries of the Company entered into seven contracts for construction of drillships for subsidiaries of Sete Brasil in 2012. Such contracts have a total contract price of US\$5.6 billion and the Group had received approximately S\$2.7 billion in progressive payments for the work performed on these projects. Under the terms of the settlement agreement, the Group kept all works performed for five of the seven drillships while the titles in respect of works performed for the remaining two drillships (which have the most advanced construction progress) are apportioned between the Group and Sete Group in proportion to payments made by Sete Group.

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PART 5 – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

- 1. Provide selected data from –**
 - (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recently completed financial years) for which that statement has been published; and**
 - (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.**
- 2. The data mentioned in paragraph 1 of this Part must include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and must in addition include the following items:**
 - (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;**
 - (b) earnings or loss per share;**
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.**

Set out below are the audited consolidated income statements of the Group for FY2017, FY2018 and FY2019 and the unaudited consolidated income statements of the Group for 1H2019 and 1H2020.

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	← Audited →			← Unaudited →	
	FY2017 ⁽¹⁾ S\$'000	FY2018 S\$'000	FY2019 S\$'000	1H2019 S\$'000	1H2020 S\$'000
Turnover	3,034,767	4,887,866	2,882,560	1,541,874	906,199
Cost of sales	(2,689,004)	(4,884,772)	(2,974,378)	(1,515,444)	(1,100,784)
Gross profit/(loss)	345,763	3,094	(91,818)	26,430	(194,585)
Other operating income	63,705	49,608	44,879	21,668	93,150
Other operating expenses	(5,021)	(2,811)	(6,325)	(959)	(24,511)
General and administrative expenses	(98,737)	(102,214)	(85,526)	(44,469)	(46,827)
Operating profit/(loss)	305,710	(52,323)	(138,790)	2,670	(172,773)
Finance income	22,807	55,026	93,275	47,696	29,909
Finance costs	(95,522)	(101,356)	(130,027)	(65,516)	(79,000)
Non-operating income	64,803	141	185	-	501
Non-operating expenses	(13,309)	-	-	-	-
Share of results of associates and joint ventures, net of tax	(3,617)	(2,385)	(1,603)	(1,193)	550
Profit/(Loss) before tax	280,872	(100,897)	(176,960)	(16,343)	(220,813)
Tax (expense)/credit	(24,817)	22,531	36,773	7,572	26,476
Profit/(loss) for the year/period	256,055	(78,366)	(140,187)	(8,771)	(194,337)
Profit/(loss) attributable to:					
Owners of the Company	260,183	(74,131)	(137,174)	(6,830)	(192,146)
Non-controlling interests	(4,128)	(4,235)	(3,013)	(1,941)	(2,191)
Profit/(loss) for the year/period	256,055	(78,366)	(140,187)	(8,771)	(194,337)
Dividends per Share (cents)					
- interim	1.0	-	-	-	-
- final	1.0	-	-	-	N.A.
EPS ^{(2), (3)} (cents)	12.45	(3.55)	(6.57)	(0.33)	(9.19)
After the Rights Issue	FY2017	FY2018	FY2019	1H2019	1H2020
EPS after the Rights Issue ⁽⁴⁾ (cents)	2.48	(0.21)	(0.67)	0.17	(1.35)

Notes:

- (1) In 2018, the Group adopted the SFRS(I) and IFRS frameworks, as well as the new accounting standards that are effective on 1 January 2018. SFRS(I) and IFRS are issued by the Accounting Standards Council and the International Accounting Standards Board respectively. SFRS(I) comprises standards and interpretations that are equivalent to IFRS. The new framework and accounting policies had been applied in preparing the financial statements for FY2018 and the comparative information presented for FY2017, subject to the mandatory exceptions and optional exemptions under SFRS(I) 1.

The Group had adopted SFRS(I) 15 in its financial statements for FY2018, using the retrospective approach. As a result, the Group applied all of the requirements of SFRS(I) 15 retrospectively, except for certain practical expedients, and the comparative period presented in the FY2018 financial statements were restated. Prior to adoption of SFRS(I) 15, the Group reported Loss before tax of S\$16 million and Profit attributable to Owners of the Company of S\$14 million for FY2017.

- (2) EPS = Net profit/(loss) attributable to Shareholders / Weighted average number of Shares outstanding (excluding treasury shares).
- (3) The EPS is calculated based on the weighted average number of 2,089,523,077 Shares, 2,088,437,064 Shares, 2,089,017,000 Shares, 2,088,751,294 Shares and 2,090,488,000 Shares for FY2017, FY2018, FY2019, 1H2019 and 1H2020, respectively.
- (4) Adjusted for 10,462,690,870 Rights Shares that were assumed to have been issued on the first day of the financial year/period, and took into account assumed interest savings from debt repayment of S\$1.5 billion and interest income arising from bank deposit of S\$0.6 billion, calculated on a post-tax basis.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

3. Despite paragraph 1 of this Part, where –

- (a) unaudited financial statements of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the unaudited consolidated financial statements of the relevant entity or unaudited combined financial statements of the group, have been published in respect of the most recently completed financial year; and**
- (b) the audited financial statements for that year are unavailable,**

the data mentioned in paragraph 1 of this Part in respect of the most recently completed financial year may be provided from such unaudited financial statements, if the directors or equivalent persons of the relevant entity include a statement in the offer information statement that to the best of their knowledge, they are not aware of any reason which could cause the unaudited financial statements to be significantly different from the audited financial statements for the most recently completed financial year.

4. In respect of –

- (a) each financial year (being one of the 3 most recently completed financial years) for which financial statements have been published; and**
- (b) any subsequent period for which interim financial statements have been published,**

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

A review of the past performance of the Group from FY2017 to 1H2020 is set out below.

FY2018 compared to FY2017

Turnover

The Group's revenue increased to S\$4.89 billion for FY2018 from S\$3.03 billion in FY2017. The higher revenue was led by stronger contributions from the Rigs & Floaters segment, while all other segments saw a year-on-year revenue decline.

On a segmental basis:

- (i) Revenue for Rigs & Floaters increased to S\$4.15 billion in FY2018, compared with S\$1.72 billion in FY2017. This was due to revenue recognition on the delivery of seven jack-up rigs to Borr Drilling and one jack-up rig to BOT Lease Co., the sale of the West Rigel (renamed Transocean Norge) semi-submersible rig and higher percentage recognition for ongoing drillships and offshore production projects;**
- (ii) Offshore Platforms revenue declined year-on-year, from S\$732 million in FY2017 to S\$184 million in FY2018 due to fewer contracts on hand, and completion of existing projects. Three topside modules for the Culzean platform projects were completed and delivered on schedule in June 2018.**

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- (iii) Revenue from Repairs & Upgrades fell from S\$499 million in FY2017 to S\$476 million in FY2018. Even though fewer vessels called at the Group's yards in FY2018, average spend per vessel was higher on improved vessel mix. A total of 296 ships and other vessels were repaired or upgraded in FY2018 compared with 390 units in FY2017. Average revenue per vessel was higher at S\$1.61 million compared with S\$1.28 million in FY2017 on improved vessel mix of higher-value works.

In FY2018, Rigs & Floaters continued to account for the largest share of revenue at 85%; Offshore Platforms contributed 4%; Repairs & Upgrades 10%; and other activities, the remaining 1%.

Earnings

The Group incurred an operating loss of S\$52 million and a net loss attributable to Shareholders of S\$74 million in FY2018, compared with S\$306 million operating profits and S\$260 million net profits attributable to Shareholders in FY2017. This was mainly due to the sale of a semi-submersible rig at a loss of S\$34 million and continued low overall business volume which impacted the absorption of overhead costs, offset by margin recognition from newly secured production floater projects and delivery of rigs. The FY2017 accounts recorded the net positive effect of contract terminations of S\$241 million which arose mainly from the entitlement to the down payments on termination of five rig contracts and a one-off gain of S\$65 million mainly arising from the disposal of Cosco Shipyard Group Co., Ltd.

FY2019 compared to FY2018

Turnover

The Group's revenue for FY2019 totalled S\$2.88 billion, compared with S\$4.89 billion booked in FY2018. This was mainly due to lower revenue recognition from Rigs & Floaters and Offshore Platforms projects, mitigated by higher revenue from Repairs & Upgrades.

On a segmental basis:

- (i) Revenue for Rigs & Floaters was S\$2.07 billion in FY2019, compared with S\$4.15 billion in FY2018. The higher revenue in FY2018 had been due to revenue recognition on delivery of seven jack-up rigs to Borr Drilling, one jack-up to BOT Lease Co. and the sale of a semi-submersible rig. Revenue in FY2019 was mainly contributed by higher percentage recognition from ongoing drillship and floater projects. They included the two Transocean drillships, the Shell Vito FPU, the Johan Castberg FPSO and the Karish FPSO projects.
- (ii) Offshore Platforms revenue was S\$131 million in FY2019 with revenue recognition from the Hornsea 2 wind farm substations and Tangguh gas modules projects. FY2018 revenue of S\$184 million was higher on contributions from the Culzean platform projects, which were completed and delivered in June 2018.
- (iii) Revenue from Repairs & Upgrades totalled S\$605 million in FY2019, which was 27% higher than the S\$476 million in FY2018 with higher revenue per vessel at S\$2.16 million (as compared to S\$1.61 million in FY2018) on improved vessel mix of higher-value works. A total of 280 vessels were repaired or upgraded at the Group's yards in the year (as compared to 296 units in FY2018).

In FY2019, Rigs & Floaters continued to account for the largest share of revenue at 72%; Offshore Platforms contributed 5%; Repairs & Upgrades 21%; Specialised Shipbuilding 1%; and other activities, the remaining 1%.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Earnings

The Group's operating loss for FY2019 was S\$139 million, compared with FY2018's operating loss of S\$52 million. While margins continued to be recognised from newly secured floater projects, FY2019's operating loss was mainly due to continued low overall business volumes, and accelerated depreciation of S\$48 million arising from the Group's transformation and yard consolidation strategy.

The Group incurred net finance costs of S\$37 million, lower compared with S\$46 million for FY2018, due to higher interest income earned in FY2019.

FY2019's net loss attributable to Shareholders was S\$137 million, compared to the net loss attributable to Shareholders of S\$74 million reported in FY2018. This was due mainly to the accelerated depreciation for the Tanjong Kling Yard of S\$48 million and continued low overall business volume. It was partly offset by profits from the Repairs & Upgrades business, which rose on improved margins and better product mix.

1H2020 compared to 1H2019

Turnover

The Group's revenue for 1H2020 totalled S\$906 million, compared with S\$1.54 billion booked in 1H2019. The revenue decline in 1H2020 was largely due to the impact of the COVID-19 pandemic on all existing projects in the second quarter. Since April 2020 when the Singapore government imposed its COVID-19 "circuit breaker" measures, in particular movement restrictions that disallowed migrant workers from leaving their dormitories for work, there was a substantial reduction in the Group's operating yard workforce (including sub-contractors) from about 20,000 to 850 persons. The Group's Singapore yards had to stand down and discontinue production activities, resulting in significant delays to project executions.

On a segmental basis:

- (i) Revenue for the Rigs & Floaters segment was S\$459 million in 1H2020, compared with S\$1.22 billion in 1H2019, due to the impact of the COVID-19 pandemic on all existing projects in the second quarter as described above.
- (ii) Revenue from Repairs & Upgrades totalled S\$258 million in 1H2020, which was 5% higher than the S\$245 million in 1H2019. This was due to higher revenue per vessel at S\$3.49 million (1H2019: S\$1.60 million) on recognition of several upgrade projects for floating storage and regasification vessels (FSRU) and cruise ships. A total of 74 vessels were repaired or upgraded at the Group's yards in 1H2020 (1H2019: 153 vessels).
- (iii) Offshore Platforms revenue was S\$130 million in 1H2020, up 165% from 1H2019 with higher revenue recognition from the Hornsea 2 wind farm project and new projects secured in 2H2019. Offshore Platforms also successfully delivered the Tangguh gas modules project in June 2020 from the Group's Batam yard.
- (iv) Specialised Shipbuilding revenue was S\$35 million in 1H2020, up from S\$7 million in 1H2019 on higher percentage recognition from the ROPAX ferries as well as the LNG bunker vessel projects.

In 1H2020, Rigs & Floaters continued to account for the largest share of revenue at 51%; Repairs & Upgrades 28%; Offshore Platforms contributed 14%; Specialised Shipbuilding 4%; and other activities, the remaining 3%.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Earnings

The Group posted an unaudited net loss attributable to Shareholders of S\$192 million for 1H2020, compared to the net loss attributable to Shareholders of S\$7 million for 1H2019.

As a consequence of the COVID-19 production stand-down, all segments posted losses for the six months period, with the exception of Repairs & Upgrades which reported higher profits on better product mix of higher margin upgrade projects which were executed during the first quarter of 2020.

Besides the production stand-down, other factors which contributed to the bigger losses were higher costs recognised for Rigs & Floaters and Specialised Shipbuilding projects, and lower margin recognition from Offshore Platforms projects mainly due to COVID-19 related factors.

Financial Position

5. **Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of –**
- (a) **the most recently completed financial year for which audited financial statements have been published; or**
 - (b) **if interim financial statements have been published for any subsequent period, that period.**
6. **The data mentioned in paragraph 5 of this Part must include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and must in addition include the following items:**
- (a) **number of shares after any adjustment to reflect the sale of new securities or securities-based derivatives contracts;**
 - (b) **net assets or liabilities per share;**
 - (c) **net assets or liabilities per share after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.**

Set out below are the audited balance sheet of the Group as at 31 December 2019 and the unaudited balance sheet of the Group as at 30 June 2020.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

	← Audited → 31 December 2019 ⁽¹⁾ S\$'000	← Unaudited → 30 June 2020 S\$'000
Non-current assets		
Property, plant and equipment	4,250,971	4,281,101
Right-of-use assets	253,304	266,289
Interests in associates and joint ventures	14,887	15,399
Other financial assets	11,342	2,944
Trade and other receivables	1,087,631	1,116,342
Contract costs	-	-
Intangible assets	246,341	232,587
Deferred tax assets	29,195	66,668
	5,893,671	5,981,330
Current assets		
Inventories	113,108	132,163
Trade and other receivables	483,300	324,264
Contract costs	88,640	94,034
Contract assets	1,462,340	1,650,908
Tax recoverable	11,658	10,172
Assets held for sale	985	-
Other financial assets	15,820	4,673
Cash and cash equivalents	389,250	1,107,031
	2,565,101	3,323,245
Total assets	8,458,772	9,304,575
Current liabilities		
Trade and other payables	1,341,010	1,354,011
Contract liabilities	60,186	97,104
Provisions	16,433	18,625
Other financial liabilities	7,703	49,468
Current tax payable	3,758	8,836
Interest-bearing borrowings	1,421,620	2,031,750
Lease liabilities	23,978	22,940
	2,874,688	3,582,734
Net current liabilities	(309,587)	(259,489)

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

	← Audited → 31 December 2019 ⁽¹⁾ S\$'000	← Unaudited → 30 June 2020 S\$'000
Non-current liabilities		
Deferred tax liabilities	28,989	26,519
Provisions	106,821	100,774
Other financial liabilities	2,204	1,703
Interest-bearing borrowings	1,479,172	1,795,519
Subordinated loan	1,500,000	1,500,000
Lease liabilities	254,120	276,956
Contract liabilities	-	-
Other long-term payables	6,000	6,006
	3,377,306	3,707,477
Total liabilities	6,251,994	7,290,211
Net assets	2,206,778	2,014,364
Equity attributable to owners of the Company		
Share capital	486,217	488,787
Other reserves	(44,996)	(45,685)
Revenue reserve	1,732,087	1,539,941
	2,173,308	1,983,043
Non-controlling interests	33,470	31,321
Total equity	2,206,778	2,014,364
	31 December 2019	30 June 2020
NTA		
Number of Shares (excluding treasury shares) before the Rights Issue	2,090,487,729	2,092,538,174
NTA per Share before the Rights Issue (cents) ⁽²⁾	92.18	83.65
Number of Shares (excluding treasury shares) after the Rights Issue	12,553,178,599	12,555,229,044
NTA per Share after the Rights Issue (cents) ⁽²⁾	31.95 ⁽³⁾	30.54 ⁽³⁾

Notes:

- (1) The Group applied SFRS(I) 16 on 1 January 2019, using the modified retrospective approach. The Group recognises its existing operating lease arrangements as right-of-use assets with corresponding lease liabilities under SFRS(I) 16.
- (2) NTA per Share = (Equity attributable to owners – Intangible assets) / Number of Shares outstanding (excluding treasury shares).
- (3) Assuming that (i) the Rights Shares had been allotted and issued on 31 December 2019 and 30 June 2020 in calculating the financial effects on NTA per Share after the Rights Issue as at 31 December 2019 and 30 June 2020 respectively; (ii) the amount of net proceeds from the issue of the Rights Shares, after deducting estimated expenses of approximately S\$9.0 million to be incurred in connection with the Rights Issue, is approximately S\$2.1 billion; and (iii) all of the expenses from the Rights Issue are capitalised.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Liquidity and Capital Resources

7. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of –
- (a) the most recently completed financial year for which financial statements have been published; and
- (b) if interim financial statements have been published for any subsequent period, that period.

Set out below are the audited consolidated statement of cash flows of the Group for FY2019 and the unaudited consolidated statement of cash flows of the Group for 1H2020.

	← Audited → FY2019 S\$'000	← Unaudited → 1H2020 S\$'000
Cash flows from operating activities:		
Loss for the year/period	(140,187)	(194,337)
Adjustments for:		
Finance income	(93,275)	(29,909)
Finance costs	130,027	79,000
Depreciation of property, plant and equipment, and right-of-use assets	214,938	86,633
Amortisation of intangible assets	27,530	13,970
Share of results of associates and joint ventures, net of tax	1,603	(550)
Loss on disposal of property, plant and equipment	2,428	119
Loss on termination of lease liabilities	-	14
Gain on disposal of a joint venture	(185)	-
Gain on disposal of assets held for sale	-	(501)
Negative goodwill	(4,999)	-
Changes in fair value of financial instruments	(2,619)	24,270
Impairment losses on property, plant and equipment	541	-
Share-based payment expenses	2,268	733
Property, plant and equipment written off	3,042	-
Inventories written (back)/down, net	(651)	1
(Write-back of)/allowance for doubtful debts and bad debts, net	(338)	214
Tax credit	(36,773)	(26,476)
Operating profit before working capital changes	103,350	(46,819)
Changes in working capital:		
Inventories	(32,286)	(19,056)
Contract costs	190,539	(5,394)
Contract assets	(463,674)	(188,568)
Contract liabilities	(79,545)	36,918
Trade and other receivables	272,328	158,688
Trade and other payables	(245,898)	12,275
Cash used in operations	(255,186)	(51,956)
Dividend and interest income received	68,555	1,332
Interest paid	(108,192)	(70,490)
Tax paid	(1,346)	(858)
Net cash used in operating activities	(296,169)	(121,972)

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

	← Audited → FY2019 S\$'000	← Unaudited → 1H2020 S\$'000
Cash flows from investing activities:		
Purchase of property, plant and equipment	(316,270)	(57,801)
Proceeds from sale of property, plant and equipment	1,919	103
Purchase of intangible assets	-	(196)
Proceeds from divestment of asset held for sale	-	1,467
Proceeds from disposal of a joint venture	55	-
Dividend received from associate	160	-
Dividend received from joint venture	2,404	-
Net cash used in investing activities	(311,732)	(56,427)
Cash flows from financing activities:		
Proceeds from borrowings	2,732,839	2,018,582
Repayment of borrowings	(2,547,941)	(1,110,201)
Payment of lease liabilities	(20,732)	(9,352)
Payment on termination of lease liabilities	-	(49)
Dividends paid to non-controlling interests of subsidiaries	(78)	-
Net cash generated from financing activities	164,088	898,980
Net (decrease)/increase in cash and cash equivalents	(443,813)	720,581
Cash and cash equivalents at beginning of the year/period	837,173	389,250
Effect of exchange rate changes on balances held in foreign currencies	(4,110)	(2,800)
Cash and cash equivalents at end of the year/period	389,250	1,107,031

A review of the cash flow and liquidity of the Group for FY2019 and 1H2020 is set out below.

FY2019

As at 31 December 2019, the Group's cash and cash equivalents stood at S\$389 million.

The Group's operating cash flow generated before working capital changes was S\$103 million in FY2019 compared with S\$157 million in FY2018. Net cash used in operating activities in FY2019 was S\$296 million, mainly for working capital for ongoing projects, offset by receipts for completed projects.

Net cash used for investing activities in FY2019 was S\$312 million, mainly due to the installation of certain new capabilities and completion of the Group's corporate office building at Tuas Boulevard Yard.

Net cash generated from financing activities in FY2019 was S\$164 million. This related mainly to net proceeds from borrowings.

1H2020

The Group's total cash and cash equivalents stood at S\$1.11 billion as at 30 June 2020.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Cash flows used in operating activities before changes in working capital were S\$47 million in 1H2020. For 1H2020, with the production stand-down for almost three months, net cash used in operating activities was S\$122 million, mainly due to working capital for ongoing projects and net interest paid, offset by receipts from projects.

Net cash used in investing activities for 1H2020 was S\$56 million, which was less than one-third of the amount incurred in 1H2019. This comprised mainly the installation of certain new capabilities at Tuas Boulevard Yard, offset by proceeds from disposal of a workshop in Malaysia.

Net cash generated from financing activities for 1H2020 was S\$899 million. This related mainly to net proceeds from borrowings.

- 8. Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgment of the offer information statement, is sufficient for at least the next 12 months and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided. When ascertaining whether working capital is sufficient, any financing facilities which are not available as at the date of lodgment of the prospectus must not be included, but net proceeds from the offer may be taken into account if the offer is fully underwritten. Where the offer is not fully underwritten, minimum net proceeds may be included only if it is an express condition of the offer that minimum net proceeds are to be raised and that the application moneys will be returned to investors if the minimum net proceeds are not raised.**

As a result of the entry into the SCI Undertaking Agreement, the Underwriting and Management Agreement and the Sub-Underwriting Agreement, the Rights Issue is effectively fully underwritten and all of the Rights Shares to be allotted and issued by the Company under the Rights Issue will be fully subscribed and paid for.

In the reasonable opinion of the Directors, as at the date of lodgment of this Offer Information Statement, taking into consideration the Group's present bank facilities and the net proceeds of the Rights Issue and barring any unforeseen circumstances, the working capital available to the Group is sufficient for at least the next 12 months.

- 9. If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the relevant entity, provide –**
- (a) a statement of that fact;**
 - (b) details of the credit arrangement or bank loan; and**
 - (c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**

To the best of the Directors' knowledge, at the date of lodgment of this Offer Information Statement, none of the entities in the Group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the Company.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Trend Information and Profit Forecast or Profit Estimate

10. Discuss –

- (a) the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, for the next 12 months from the latest practicable date; and**
- (b) any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources for at least the current financial year, or that may cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.**

Industry Context and Background

The offshore and marine industry has seen a prolonged and severe downturn since 2015 due to profound structural changes in the oil and gas sector and intensifying international competition. In the three years prior to the downturn, the Company earned healthy pre-tax profits of over S\$600 million per year, on the back of strong order books for drilling rigs and other major offshore projects. Since then, with reduced order books, the Company's financial performance has suffered a steep slide, resulting in pre-tax losses of S\$16 million in 2017, S\$101 million in 2018 and S\$177 million in 2019. This puts significant pressure on the Company's liquidity and working capital requirements.

In July 2019, SCI injected S\$1.5 billion in cash into the Company via the Subordinated Loan to strengthen the Company's financial position. The Subordinated Loan was used to retire around S\$1.5 billion of borrowings to improve the Company's balance sheet.

In 2020, having positioned itself for recovery, the Company was unexpectedly hit by the COVID-19 pandemic and the sudden collapse in oil prices. This has led to massive capital expenditure cuts by oil and gas companies and deferrals of investment decisions. The Singapore government's COVID-19 directives, which resulted in the temporary stand-down of yard activities, have caused project execution delays. The COVID-19 pandemic has also disrupted supply chains and added further serious uncertainties going forward. With new orders likely to remain depressed for a prolonged period, the Company now foresees that recovery will be pushed out further to 2021 and beyond.

These developments have impacted the Company's operating cash flows and financial situation. The Company has taken steps to right-size its resources in response to the business outlook and deferred all non-essential capital expenditure. However, these measures will not be sufficient. The Company's cash flow and financial flexibility continue to be impacted by the worsening market dynamics and outlook. The Company urgently needs to recapitalise, address liquidity requirements, and strengthen its balance sheet.

S\$2.1 billion Recapitalisation: Strengthening Liquidity and Balance Sheet

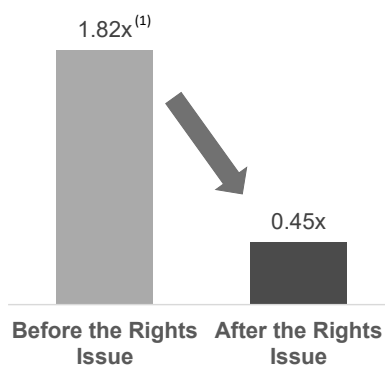
The Board of Directors has considered various financing options and believes that an equity rights issue at this point is critically needed to maintain sufficient liquidity to ride out the current industry downturn. The key aim of the S\$2.1 billion Rights Issue is to strengthen the Company's balance sheet and improve its liquidity position by converting the S\$1.5 billion Subordinated Loan into equity in the Company and to raise additional cash of approximately S\$0.6 billion to fund its ongoing operations.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

To ensure deal certainty, the Rights Issue is “backstopped” (i.e. supported) by an undertaking from SCI to subscribe for up to S\$1.5 billion of the Rights Shares, with the remaining S\$0.6 billion fully backstopped by Temasek via the Sub-Underwriting Agreement entered into between its wholly-owned subsidiary, Startree¹⁹ and the Sole Financial Adviser, Lead Manager and Underwriter. Under the terms of the Sub-Underwriting Agreement, no sub-underwriting fees will be paid to Temasek or Startree.

Post the Rights Issue, the Company’s net gearing as at 31 December 2019 will be reduced from 1.82x to 0.45x on a *pro forma* basis, and its cash position will be improved by approximately S\$0.6 billion. The settlement of the Subordinated Loan as consideration for SCI’s undertaking will deleverage the Company and reduce its interest expense.

Pro Forma Net Gearing as at 31 December 2019



Note:

(1) Includes the S\$1.5 billion drawn down under the Subordinated Credit Facility.

The Rights Issue will improve the Company’s cash position, meet immediate and foreseeable liquidity needs, fund ongoing commitments, strengthen its balance sheet, help compete for new high-value projects and ensure long-term viability.

In this regard, further details of the Company’s projects are set out below.

New and Existing Projects Highlights – Nature and Contract Value⁽¹⁾

- New orders won in FY2019: S\$1.5 billion, of which S\$530 million are for clean solutions
- Total contract value of new and existing projects under execution as at 30 June 2020: S\$6.5 billion
- Net order book (total contract value less portion already completed) as at 30 June 2020: S\$1.9 billion
- Total net order book (total contract value less portion already completed), including approximately S\$280 million of outstanding orders for execution for Repairs & Upgrades, as at 30 June 2020: S\$2.2 billion
- Delivery schedule for the new and existing projects under execution: FY2020 to FY2023

¹⁹ The Rights Shares to be subscribed for under the Sub-Underwriting Agreement will be subscribed for by Startree or one or more Temasek Companies.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Nature of New and Existing Projects Under Execution as at 30 June 2020
<p>Renewables Solutions</p> <ul style="list-style-type: none"> ● Hornsea 2 Offshore Wind Farm – Foundation Jackets and Topsides ● Formosa 2 Offshore Wind Farm – Foundation Jackets
<p>Process Solutions</p> <ul style="list-style-type: none"> ● Equinor Johan Castberg – Newbuild Floating Production, Storage and Offloading Vessel ● Shell Vito – Newbuild Floating Production Unit (semi-submersible) ● Shell Whale – Newbuild Floating Production Unit (semi-submersible) ● Gallaf Batch 2 Wellhead Platforms ● Tupi P-71 – Newbuild Floating Production, Storage and Offloading Vessel ● Shapoorji – Conversion of Floating Production, Storage and Offloading Vessel
<p>Gas Solutions</p> <ul style="list-style-type: none"> ● MOL LNG Bunker Vessel ● Tyra Platforms and Bridges ● TechnipFMC Karish – Newbuild Floating Production, Storage and Offloading Vessel ● Upgrade of Major Floating Storage & Regasification Units (FSRU) and Floating Storage Units (FSU), including FSRU Karmol LNGT Powership Africa, FSRU Karmol LNGT Powership Asia, FSU CNTIC VPower Energy and Torman II (FSU)
<p>Ocean Living Solutions</p> <ul style="list-style-type: none"> ● Full Battery-operating Roll-on, Roll-off passenger ferries (3 units)
<p>Advanced Drilling Rig Solutions</p> <ul style="list-style-type: none"> ● Transocean 1 Drillship ● Transocean 2 Drillship

Note:

(1) Contract value is estimated based on conversion using prevailing exchange rates.

Demerger of the Company and SCI via Distribution *In Specie*

Following the Rights Issue and settlement of the Subordinated Loan, SCI proposes to effect a demerger of its core businesses from its Marine interests through the SCI Distribution of its shareholding in the Company. SCI Entitled Shareholders will hence own Shares directly, in addition to their existing SCI Shares.

Because of changing industry dynamics and reduced synergies between SCI and the Company, a clean separation will create two separate, focused companies. Post separation, the Company will be in a stronger position to achieve further sustainable growth.

As a result of the SCI Distribution, Temasek (which is currently the single largest shareholder of SCI) will become a direct Shareholder. As the Temasek Concert Party Group will hold more than 30 per cent. of the Company as a result of the SCI Distribution, the approval by the Independent Shareholders of the Whitewash Resolution which was obtained at the EGM was required to waive their rights to receive a mandatory take-over offer from the Temasek Concert Party Group. The Rights Issue and the SCI Distribution are inter-conditional upon each other.

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Summary of Benefits to the Shareholders

In summary, the Shareholders will benefit from the Rights Issue in the following ways:

- (i) the Company will strengthen its liquidity position and balance sheet, enabling it to execute its existing projects and compete for high-value projects going forward;
- (ii) the demerger with SCI will enable the Company to pursue a focused strategy and further build its core engineering and execution capabilities;
- (iii) the Company will have a strong long-term future as a global leader in innovative engineering solutions for the offshore, marine and energy industries, with an increasing focus on clean energy solutions; and
- (iv) following the SCI Distribution, the Company will have Temasek (which is currently the single largest shareholder of SCI) as a direct and significant Shareholder.

Rationale for Inter-Conditionality of the Rights Issue and the SCI Distribution

Given that industry dynamics and challenges over recent years have reduced the synergies between SCI and the Company, it has been the intention of SCI to effect a demerger of its core businesses from its Marine interests (in the Company) through a distribution *in specie*.

The demerger from SCI will enable the Company to pursue a focused strategy and further build its core engineering and execution capabilities. The Company also understands that from SCI's perspective, SCI's future growth may be constrained by the current SCI group balance sheet which consolidates the Company's debt. As such, the demerger will lead to a deconsolidation of the Company's debt, and hence provide SCI flexibility in pursuing its future growth path following the completion of the Transaction.

In structuring the Transaction, consideration was given to the Company achieving its recapitalisation objective and that SCI Shareholders will receive Shares in a recapitalised SCM. Accordingly, the Rights Issue and the SCI Distribution are inter-conditional.

With the inter-conditionality, SCI agreed to the Rights Issue and to convert the S\$1.5 billion Subordinated Loan to equity. The Subordinated Loan was not intended to be a permanent source of capital and with this structure, the Company will benefit from the conversion of debt to permanent capital and the strengthening of its balance sheet.

Prospects

The Group posted an unaudited net loss attributable to Shareholders of S\$192 million in 1H2020, following the shutdown of production activities at all its Singapore yards since April 2020 as a result of the COVID-19 pandemic.

Since April 2020 when the Singapore government imposed its COVID-19 "circuit breaker" measures, in particular movement restrictions that disallowed migrant workers from leaving their dormitories for work, there was a substantial reduction in the Group's operating yard workforce (including sub-contractors). The Group's Singapore yards had to stand down and discontinue production activities, resulting in significant delays to project executions.

There were no significant new contracts secured in 1H2020. As of 30 June 2020, there had been no cancellation of any existing projects.

With the lifting of some COVID-19 measures in Singapore since June 2020, the Company was allowed to gradually resume yard operations on 6 July 2020, and this is being done safely and progressively. The Company is working closely with its customers to restart the execution of

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existing projects. While no significant new orders have been announced in 2020 as of 30 June 2020, discussions had resumed on several project opportunities. In July 2020, RWE Renewables, the owner of the 1.4 GW Sofia Offshore Wind Farm which is in the United Kingdom North Sea, selected the Company and its consortium partner GE's Grid Solutions as the preferred suppliers for the wind farm's HVDC electrical transmission system. The Company's scope of work in this project includes the design, construction, installation and commissioning of an offshore converter platform. Early design works have started, ahead of the Sofia Offshore Wind Farm's final investment decision in the first quarter of 2021. In May 2020, the Company's 50%-owned technology company, Aragon AS, firmed up contracts with Yinson to undertake the engineering, procurement and construction of seven modules for gas treatment, gas compression, utilities and flare systems for the FPSO Anna Nery.

The Group's immediate priority is to address urgent liquidity needs to fund its operations and ride out the severe industry downturn which has been further worsened by the COVID-19 pandemic. Besides taking measures to right-size resources in response to the activities outlook, the Group has also deferred all non-essential capital expenditures to preserve cash flow and manage overall liquidity prudently.

As mentioned above, the Company is gradually resuming project executions safely and progressively. How soon the Group's workforce will be allowed to return to full strength will determine the business outlook in subsequent quarters. The Company will work to ensure adequate liquidity and financial strength to sustain its operations and ride through the severe industry downturn and COVID-19 pandemic. In this difficult business environment, the Group expects losses to continue into the foreseeable quarters.

Please also refer to the section "*Risk Factors*" for further information on the risks relating to the Group's business.

- 11. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**

No profit forecast is disclosed in this Offer Information Statement.

- 12. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**

No profit forecast or profit estimate is disclosed in this Offer Information Statement.

- 13. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions mentioned in paragraph 12 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**

No profit forecast is disclosed in this Offer Information Statement.

- 14. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement mentioned in paragraph 13 of this Part –**

- (a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or**

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- (b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

No profit forecast is disclosed in this Offer Information Statement.

15. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement mentioned in paragraph 13 of this Part –

- (a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, prepared on the basis of an examination by that issue manager or person of the evidence supporting the assumptions mentioned in paragraph 12 of this Part, to the effect that no matter has come to the attention of that issue manager or person which gives that issue manager or person reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
- (b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

No profit forecast is disclosed in this Offer Information Statement.

Significant Changes

16. Disclose any event that has occurred from the end of –

- (a) the most recently completed financial year for which financial statements have been published; or
- (b) if interim financial statements have been published for any subsequent period, that period,

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate statement to that effect.

Save as disclosed in this Offer Information Statement, there is no event that has occurred from 30 June 2020 to the Latest Practicable Date which may have a material effect on the Group's financial position and results.

Meaning of "published"

17. In this Part, "published" includes publication in a prospectus, in an annual report or on the SGXNET.

Noted.

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PART 6 – THE OFFER AND LISTING

Offer and Listing Details

1. **Indicate the price at which the securities or securities-based derivatives contracts are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgment of the offer information statement, state the method by which the offer price is to be determined and explain how the relevant entity will inform investors of the final offer price.**

The Issue Price is S\$0.20 for each Rights Share, payable in full on acceptance and/or application²⁰.

The expenses incurred in the Rights Issue will not be specifically charged to subscribers of the Rights Shares.

For Electronic Applications made through ATMs of a Participating Bank, a non-refundable administrative fee of S\$2 for each application will be charged by the Participating Bank at the point of application.

2. **If there is no established market for the securities or securities-based derivatives contracts being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**

The Shares are, and the Rights Shares will be, traded on the Main Board of the SGX-ST.

3. **If –**

- (a) **any of the relevant entity’s shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered; and**
- (b) **the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,**

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

Save for the Rights Issue, none of the Shareholders have pre-emptive rights to subscribe for the Rights Shares.

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the sections “*Offering, Selling and Transfer Restrictions*” and “*Eligibility of Shareholders to Participate in the Rights Issue*” for further information.

²⁰ SCI’s obligation to pay the SCI Undertaken Rights Shares Subscription Amount shall be set off against an equivalent amount of the principal amount outstanding and due and owing to SCI by the Company under the Subordinated Credit Facility following the Novation, as further described in paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*”.

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4. If securities or securities-based derivatives contracts of the same class as those securities or securities-based derivatives contracts being offered are listed for quotation on any approved exchange –

(a) in a case where the firstmentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the firstmentioned securities or securities-based derivatives contracts–

(i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and

(ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or

The highest and lowest market prices and the volume of the Shares traded on the SGX-ST during each of the last 12 calendar months immediately preceding the calendar month in which the Latest Practicable Date falls and for the period from 1 August 2020 to the Latest Practicable Date are as follows:

Month	Price Range		Volume of Shares traded ('000) ⁽³⁾
	High (S\$) ⁽¹⁾	Low (S\$) ⁽²⁾	
August 2019	1.370	1.110	106,666
September 2019	1.310	1.160	80,959
October 2019	1.420	1.160	146,666
November 2019	1.390	1.260	77,823
December 2019	1.320	1.230	46,884
January 2020	1.370	1.160	59,677
February 2020	1.240	1.080	49,733
March 2020	1.100	0.625	132,837
April 2020	0.755	0.665	98,027
May 2020	0.740	0.680	45,823
June 2020	0.850	0.425	344,476
July 2020	0.470	0.380	94,019
1 August 2020 to the Latest Practicable Date	0.385	0.340	62,698

Source: Bloomberg Finance L.P. Bloomberg Finance L.P. has not consented for the purposes of Sections 249 and 277 of the SFA to the inclusion of the information referred to above and is thereby not liable for such information under Sections 253 and 254 of the SFA. While the Company and the Sole Financial Adviser, Lead Manager and Underwriter have taken reasonable actions to ensure that the above information has been reproduced in its proper form and context, neither the Company nor the Sole Financial Adviser, Lead Manager and Underwriter has conducted an independent review of this information nor verified the accuracy of such information.

Notes:

- (1) High Price was based on the highest closing price for the Shares in a particular month/period.
- (2) Low Price was based on the lowest closing price for the Shares in a particular month/period.
- (3) Volume was based on the total volume of the Shares traded in a particular month/period.

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- (b) in a case where the first-mentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities or securities-based derivatives contracts –
- (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;

Not applicable, as the Shares have been listed for quotation on the Main Board of the SGX-ST for more than 12 months immediately preceding the Latest Practicable Date.

- (c) disclose any significant trading suspension that has occurred on the approved exchange during the 3 years immediately preceding the latest practicable date or, if the securities or securities-based derivatives contracts have been listed for quotation for less than 3 years, during the period from the date on which the securities or securities-based derivatives contracts were first listed to the latest practicable date; and

No significant trading suspension of the Shares has occurred on the SGX-ST during the three years immediately preceding the Latest Practicable Date.

- (d) disclose information on any lack of liquidity, if the securities or securities-based derivatives contracts are not regularly traded on the approved exchange.

Not applicable. Please refer to paragraph 4(a) of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*” for the volume of Shares traded during each of the last 12 calendar months immediately preceding the calendar month in which the Latest Practicable Date falls and for the period from 1 August 2020 to the Latest Practicable Date.

5. Where the securities or securities-based derivatives contracts being offered are not identical to the securities or securities-based derivatives contracts already issued by the relevant entity, provide –

- (a) a statement of the rights, preferences and restrictions attached to the securities or securities-based derivatives contracts being offered; and
- (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities or securities-based derivatives contracts, to rank in priority to or equally with the securities or securities-based derivatives contracts being offered.

The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Rights Shares.

The issue of the Rights Shares is made pursuant to the authority granted under the Rights Issue Resolution approved by Shareholders at the EGM.

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Plan of Distribution

6. Indicate the amount, and outline briefly the plan of distribution, of the securities or securities-based derivatives contracts that are to be offered otherwise than through underwriters. If the securities or securities-based derivatives contracts are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.

Basis of Provisional Allotment

The Rights Issue is made on a renounceable underwritten basis to Entitled Shareholders on the basis of five (5) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date at the Issue Price, fractional entitlements to be disregarded. The Rights Shares are payable in full upon acceptance and/or application²¹ and will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Rights Shares. Based on the issued share capital (excluding treasury shares) of the Company as at the Latest Practicable Date of 2,092,538,174 Shares, 10,462,690,870 Rights Shares will be issued.

Entitled Shareholders

Entitled Shareholders are at liberty to accept, decline or renounce their Rights and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Depositors are also able to trade their Rights on the SGX-ST during the Rights trading period prescribed by the SGX-ST.

Fractional entitlements to the Rights Shares will be aggregated and used with provisional allotments which are not taken up or allotted for any reason to satisfy excess applications for Rights Shares (if any) or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders (including SCI with respect to the SCI Excess Rights Shares) who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

The Rights Shares are not offered through the selling efforts of any broker or dealer other than the Sole Financial Adviser, Lead Manager and Underwriter. Please refer to paragraph 7 of this Part below for further information on the Underwriting and Management Agreement and the Sub-Underwriting Agreement.

²¹ SCI's obligation to pay the SCI Undertaken Rights Shares Subscription Amount shall be set off against an equivalent amount of the principal amount outstanding and due and owing to SCI by the Company under the Subordinated Credit Facility following the Novation, as further described in paragraph 7 of the section "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing".

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Foreign Shareholders

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the sections “*Offering, Selling and Transfer Restrictions*” and “*Eligibility of Shareholders to Participate in the Rights Issue*” for details on the eligibility of Shareholders to participate in the Rights Issue.

The Rights and the Rights Shares are being offered and sold only outside the United States in “offshore transactions” in reliance on Regulation S under the Securities Act.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities or securities-based derivatives contracts being underwritten by each underwriter.

As a result of the entry into the SCI Undertaking Agreement, the Underwriting and Management Agreement and the Sub-Underwriting Agreement, the Rights Issue is effectively fully underwritten and all of the Rights Shares to be allotted and issued by the Company under the Rights Issue will be fully subscribed and paid for.

SCI Undertaking Agreement

As at the Latest Practicable Date, SCI has a direct interest in an aggregate of 1,274,270,764 Shares (the “**SCI Existing Shareholding**”), representing approximately 60.9 per cent. of the issued share capital of the Company of 2,092,538,174 Shares (excluding treasury shares).

SCI has entered into the SCI Undertaking Agreement with the Company pursuant to which it has irrevocably undertaken to, *inter alia*:

- (i) subscribe and pay in full for all the SCI *Pro Rata* Rights Shares; and
- (ii) subscribe and pay in full for, or procure the subscription and payment in full of, the SCI Excess Rights Shares, provided that the value for such SCI Excess Rights Shares shall not, based on the Issue Price, exceed an amount equivalent to the difference between (a) the SCI *Pro Rata* Rights Shares multiplied by the Issue Price; and (b) S\$1.5 billion.

Based on the issued share capital of the Company as at the Latest Practicable Date of 2,092,538,174 Shares (excluding treasury shares) and the Rights Issue size of 10,462,690,870 Rights Shares, the SCI *Pro Rata* Rights Shares will comprise 6,371,353,820 Rights Shares and the SCI Excess Rights Shares required to be subscribed for by SCI will comprise up to 1,128,646,180 Rights Shares.

In this regard, SCI will satisfy its obligations set out in sub-paragraphs (i) and (ii) above by submitting an application, on or prior to the Closing Date in accordance with the terms and conditions of the Rights Issue, to subscribe for (a) the SCI *Pro Rata* Rights Shares (for a total consideration of S\$1,274,270,764 based on the Issue Price) and (b) such number of SCI Excess Rights Shares equivalent to the difference between (1) S\$1.5 billion divided by the Issue Price and (2) the SCI *Pro Rata* Rights Shares (for a total consideration of S\$225,729,236 based on the Issue Price).

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders (including SCI with respect to the SCI Excess Rights Shares) who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

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Pursuant to the terms of the SCI Undertaking Agreement, SCI and the Company have also agreed, *inter alia*, that:

- (1) the SCI Undertaken Rights Shares Subscription Amount shall not at any time exceed S\$1.5 billion (representing up to 7,500,000,000 Rights Shares, comprising 6,371,353,820 SCI *Pro Rata* Rights Shares and up to 1,128,646,180 SCI Excess Rights Shares);
- (2) the Company shall, on or prior to the Loan Repayment Date, utilise either the cash proceeds from the Rights Issue or its available cash balances to repay all and any outstanding principal amounts under the Subordinated Credit Facility and all interest on the principal amount of the Subordinated Loan accrued and unpaid up to the Loan Repayment Date, as well as all other amounts acknowledged and agreed to be repaid by the Company to SCI as set out in the Subordinated Credit Facility Deed of Amendment, which have not been settled or otherwise repaid on or prior to the Loan Repayment Date. It is anticipated that as at the Loan Repayment Date, the other amounts acknowledged and agreed to be repaid by the Company to SCI as set out in the Subordinated Credit Facility Deed of Amendment will comprise an intercompany loan fee payable under the Subordinated Credit Facility of approximately S\$50,000;
- (3) consistent with the use of proceeds from the Rights Issue, SCI's obligation to pay the SCI Undertaken Rights Shares Subscription Amount shall be set off against an equivalent amount of the principal amount outstanding and due and owing to SCI by the Company under the Subordinated Credit Facility following the Novation. In the event that the aggregate value of the Rights Shares subscribed for by Shareholders (other than SCI) and investors (if any), based on the Issue Price, exceeds S\$0.6 billion, such that the aggregate value of the SCI Undertaken Rights Shares which SCI is required to subscribe for pursuant to the SCI Undertaking Agreement is less than S\$1.5 billion, for the purposes of repayment of the outstanding principal of S\$1.5 billion under the Subordinated Credit Facility, the Company would utilise either the cash proceeds from the Rights Issue or its available cash balances to repay any such amounts not set off in the manner described in this sub-paragraph, as further described in sub-paragraph (2) above; and
- (4) no commission or fee will be payable by the Company to SCI in connection with SCI's undertakings under the SCI Undertaking Agreement.

The undertakings of SCI and the agreements between SCI and the Company pursuant to the SCI Undertaking Agreement are subject to and conditional upon, *inter alia*:

- (I) the Rights Issue Conditions; and
- (II) the entry into the Subordinated Credit Facility Deed of Amendment by SCI, SFS, the Company and SMFS, and the Subordinated Credit Facility Deed of Amendment (including the Novation) not having been terminated and remaining in full force and effect.

Underwriting

The Sole Financial Adviser, Lead Manager and Underwriter has agreed to underwrite the Underwritten Rights Shares, at the Issue Price on the terms and subject to the conditions of the Underwriting and Management Agreement.

Pursuant to the Underwriting and Management Agreement, the Company will pay the Sole Financial Adviser, Lead Manager and Underwriter an underwriting commission of 0.15 per cent. of the Issue Price multiplied by the Underwritten Rights Shares (being a total of up to approximately S\$889,000).

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The obligations of the Sole Financial Adviser, Lead Manager and Underwriter to subscribe for the Underwritten Rights Shares are subject to and conditional upon, *inter alia*, SCI having subscribed and paid for (or procured the subscription and payment for) all the SCI *Pro Rata* Rights Shares and the SCI Excess Rights Shares pursuant to the SCI Undertaking Agreement.

Sub-Underwriting

Startree, a wholly-owned subsidiary of Temasek, has entered into the Sub-Underwriting Agreement with the Sole Financial Adviser, Lead Manager and Underwriter pursuant to which it has agreed, on the terms and subject to the conditions of the Sub-Underwriting Agreement, to subscribe, or procure one or more Temasek Companies to subscribe, for the Underwritten Rights Shares to the extent that such Rights Shares are not successfully subscribed for under the Rights Issue, where such successful subscriptions shall include valid acceptances for provisional allotments of Rights Shares and valid subscriptions for Excess Rights Shares, provided always that the aggregate subscription amount for such Rights Shares shall not at any time exceed S\$0.6 billion.

Under the terms of the Sub-Underwriting Agreement, no sub-underwriting fees will be paid to Temasek or Startree.

Subscription by Directors

The Directors who are also Shareholders have indicated to the Company that they intend to subscribe and pay for all their respective entitlements of Rights Shares in accordance with the terms and conditions of the Rights Issue.

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PART 7 – ADDITIONAL INFORMATION

Statements by Experts

1. **Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement other than a statement attributed to an expert to which the exemption under regulation 33(2) applies.

2. **Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert –**

- (a) **state the date on which the statement was made;**
- (b) **state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
- (c) **include a statement that the expert has given, and has not withdrawn, his or her written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement other than a statement attributed to an expert to which the exemption under regulation 33(2) applies.

3. **The information mentioned in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 33(2) applies.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement other than a statement attributed to an expert to which the exemption under regulation 33(2) applies.

Consents from Issue Managers and Underwriters

4. **Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his or her written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**

DBS Bank Ltd., as the Sole Financial Adviser, Lead Manager and Underwriter for the Rights Issue, has given, and has not, before the lodgment of this Offer Information Statement with the MAS, withdrawn its written consent to being named in this Offer Information Statement as the Sole Financial Adviser, Lead Manager and Underwriter for the Rights Issue.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Other Matters

5. **Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly –**
- (a) **the relevant entity’s business operations or financial position or results; or**
 - (b) **investments by holders of securities or securities-based derivatives contracts in the relevant entity.**

Save as disclosed below and in this Offer Information Statement, the Directors are not aware of any other matter which could materially affect, directly or indirectly, the Company’s business operations, financial position or results or investments by holders of securities or securities-based derivatives contracts in the Company.

Proposed SCI Distribution

Method of Distribution

Following settlement of the Rights Issue, SCI proposes to undertake the SCI Distribution, as set out in the announcement by SCI made on the date of the Announcement. The SCI Distribution, which was approved by SCI Shareholders at the SCI EGM, will be effected by way of a distribution *in specie* to SCI Entitled Shareholders *pro rata* to their respective shareholdings in SCI. SCI Entitled Shareholders who hold SCI Shares as at the SCI Distribution Record Date will be entitled to the SCI Distribution.

Distribution Ratio

The number of Shares to be distributed by SCI pursuant to the SCI Distribution is subject to the number of Shares held by SCI following completion of the Rights Issue.

For illustrative purposes only, assuming that, as at the SCI Distribution Record Date, there are 1,786,431,697 SCI Shares in issue (excluding 1,116,035 treasury shares), SCI holds the SCI Existing Shareholding and:

- (i) all Rights Shares are subscribed for by the Shareholders and investors such that SCI subscribes only for the SCI *Pro Rata* Rights Shares and no SCI Excess Rights Shares are allocated to SCI, SCI’s resultant holding in the Company, and the number of Shares to be distributed following completion of the Rights Issue will be 7,645,624,584 Shares, and the SCI Distribution will be effected on the basis of 4.279 Shares for each SCI Share held by SCI Entitled Shareholders at the SCI Distribution Record Date, fractional entitlements to be disregarded; or
- (ii) the aggregate value of the Rights Shares subscribed for by the Shareholders (other than SCI) and investors (if any), based on the Issue Price, does not exceed S\$0.6 billion such that SCI is required pursuant to the SCI Undertaking Agreement to subscribe for all of the SCI Undertaken Rights Shares, SCI’s resultant holding in the Company, and the number of Shares to be distributed following completion of the Rights Issue will be 8,774,270,764 Shares, and the SCI Distribution will be effected on the basis of 4.911 Shares for each SCI Share held by SCI Entitled Shareholders at the SCI Distribution Record Date, fractional entitlements to be disregarded.

Effect of the SCI Distribution

On completion of the SCI Distribution, SCI will have distributed all or substantially all of its holdings of Shares. The Company will cease to be a subsidiary of SCI and SCI Entitled Shareholders will hold listed shares in both SCI and the Company.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

For the avoidance of doubt, there will be no change to the issued and paid-up share capital of the Company or to the number of SCI Shares held by each SCI Shareholder as a result of the SCI Distribution.

Conditions to the SCI Distribution

The SCI Distribution is subject to and conditional upon, *inter alia*, the satisfaction or waiver of the following conditions precedent:

- (i) the approval of the Shareholders at the EGM for the Rights Issue Resolution, including the allotment and issue of the Rights Shares pursuant to the Rights Issue;
- (ii) the approval of the Independent Shareholders at the EGM for the Whitewash Resolution;
- (iii) the Whitewash Waiver, which was granted by the SIC on 5 June 2020, not having been withdrawn, revoked or amended, and all conditions to which the Whitewash Waiver is subject having been fulfilled;
- (iv) the approval of the SCI 2019 Bondholders having been obtained either in writing or at a meeting of the SCI 2019 Bondholders for amendments to the terms and conditions of the SCI 2019 Bonds to, *inter alia*, waive and/or delete the requirement for the mandatory redemption of the SCI 2019 Bonds upon repayment of the Subordinated Loan. In this regard, the Company understands that SCI and SFS do not currently intend to redeem the SCI 2019 Bonds;
- (v) the approval of the SCI Shareholders at the SCI EGM for the SCI Distribution Resolution;
- (vi) all other approvals of any government whether Singapore or foreign, any department, ministry or agency of any government and any other governmental, administrative, fiscal, monetary or judicial body, as well as all other third party consents, which SCI or SCM reasonably determines are necessary to implement the Rights Issue and the SCI Distribution having been obtained either unconditionally or on conditions satisfactory to SCI and SCM acting reasonably and any such approval or consent not having been withdrawn or revoked; and
- (vii) the closing of the Rights Issue having occurred and the allotment and issuance of the Rights Shares.

As at the Latest Practicable Date, save for the conditions precedent set out in sub-paragraphs (iii) and (vi) above relating to the Whitewash Waiver from the SIC or, as the case may be, the relevant approval or consent not having been, *inter alia*, withdrawn or revoked, and sub-paragraph (vii) above, all the other conditions precedent to the SCI Distribution set out in the immediately preceding paragraph have been satisfied or waived.

Details of the Whitewash Waiver are set out in the section “*Shareholding Limits*”.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

The SCI Distribution and the Rights Issue are inter-conditional. In the event that the Rights Issue does not proceed or the Rights Shares are not allotted and issued, the SCI Distribution will not proceed. In this regard, the Rights Issue Resolution and the Whitewash Resolution have been approved and passed by Shareholders and Independent Shareholders respectively at the EGM while the SCI Distribution Resolution has been approved and passed by SCI Shareholders at the SCI EGM.

Public Float

Rule 1303(1) of the Listing Manual provides that the SGX-ST may at any time suspend trading of the listed securities of an issuer if the percentage of an issuer's total number of issued shares (excluding treasury shares) held in public hands falls below 10 per cent. For illustrative purposes only, assuming that:

- (i) there is no change in the number of Shares in which SCI and Temasek have an interest since the Latest Practicable Date;
- (ii) no Shareholders (other than SCI) or investors subscribe for the Rights Shares, such that SCI is required pursuant to the SCI Undertaking Agreement to subscribe for all of the SCI Undertaken Rights Shares; and
- (iii) the Relevant Temasek Entity(ies) is/are required pursuant to the Sub-Underwriting Agreement to subscribe for all the Underwritten Rights Shares,

the resultant combined shareholding interest in the Company held by SCI and the Relevant Temasek Entity(ies) will be 11,736,961,634 Shares, representing approximately 93.5 per cent. of the Shares in issue (excluding treasury shares) immediately following the completion of the Rights Issue. This would result in the percentage of the Company's total number of issued Shares (excluding treasury shares) held in public hands falling below 10 per cent. In such situation, the SGX-ST may, under Rule 1303(1) of the Listing Manual, suspend trading of the Shares until such time that the percentage of the Company's total number of issued Shares (excluding treasury shares) held in public hands is restored to 10 per cent. or more. That said, it is anticipated that the SCI Distribution will have a resultant effect of restoring the percentage of the Company's total number of issued Shares (excluding treasury shares) held in public hands to at least 10 per cent. In this regard, it is further anticipated that the issuance of the Rights Shares will take place on the same day as the settlement date of the SCI Distribution and the date for crediting of the Shares to the Securities Accounts of SCI Entitled Shareholders pursuant to the SCI Distribution (which crediting is expected to take place before 9.00 a.m.) and accordingly, it is not expected that the Shares will be suspended from trading by the SGX-ST under Rule 1303(1) of the Listing Manual.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 10 – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BY WAY OF RIGHTS ISSUE

1. Provide –

(a) the particulars of the rights issue;

Please refer to the section “*Summary of the Rights Issue*” for particulars of the Rights Issue.

(b) the last day and time for splitting of the provisional allotment of the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

27 August 2020 at 5.00 p.m.

Please refer to the section “*Indicative Timetable of Key Events*” for more details.

(c) the last day and time for acceptance of and payment for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

2 September 2020 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks).

Please refer to the section “*Indicative Timetable of Key Events*” for more details.

(d) the last day and time for renunciation of and payment by the renounee for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

2 September 2020 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks).

Entitled Depositors who wish to renounce their Rights in favour of a third party should note that CDP requires at least three Market Days to effect such renunciation. As such, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for the renounee to accept his Rights.

(e) the terms and conditions of the offer of securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

The allotment and issue of the Rights Shares pursuant to the Rights Issue is governed by the terms and conditions as set out in this Offer Information Statement, in particular Appendices A, B and C to this Offer Information Statement and in the ARE, the ARS and the PAL.

(f) the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and

Please refer to paragraph 7 of the section “*Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing*” for details of the terms of the SCI Undertaking Agreement.

In addition, the Directors who are also Shareholders have indicated to the Company that they intend to subscribe and pay for all their respective entitlements of Rights Shares in accordance with the terms and conditions of the Rights Issue.

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- (g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.**

As a result of the entry into the SCI Undertaking Agreement, the Underwriting and Management Agreement and the Sub-Underwriting Agreement, the Rights Issue is effectively fully underwritten and all of the Rights Shares to be allotted and issued by the Company under the Rights Issue will be fully subscribed and paid for.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

Review of Working Capital

1. Provide a review of the working capital for the last three financial years and the latest half year, if applicable.

The working capital of the Group as at 31 December 2017, 31 December 2018, 31 December 2019 and 30 June 2020 were as follows:

	← Audited →			Unaudited
	31 December 2017 S\$'000	31 December 2018 S\$'000	31 December 2019 S\$'000	30 June 2020 S\$'000
Total current assets	5,092,432	2,960,309	2,565,101	3,323,245
Total current liabilities	3,646,688	2,762,731	2,874,688	3,582,734
Net current assets/(liabilities)	1,445,744	197,578	(309,587)	(259,489)

A review of the working capital position of the Group as at 31 December 2017, 31 December 2018, 31 December 2019 and 30 June 2020 is set out below.

31 December 2018 compared to 31 December 2017

The Group's current assets decreased year-on-year by S\$2.13 billion from S\$5.09 billion as at 31 December 2017 to S\$2.96 billion as at 31 December 2018 mainly due to a decrease in contract costs, upon the delivery and sale of rigs under deferred payment terms and cash used for capital expenditures. The Group's current liabilities decreased year-on-year by S\$0.89 billion from S\$3.65 billion as at 31 December 2017 to S\$2.76 billion as at 31 December 2018. This was mainly due to a decrease in contract liabilities, resulting from recognition of revenue upon the delivery and sale of rigs.

31 December 2019 compared to 31 December 2018

The Group's current assets decreased year-on-year by S\$0.39 billion from S\$2.96 billion as at 31 December 2018 to S\$2.57 billion as at 31 December 2019 mainly due to a decrease in contract costs, upon the delivery and sale of a rig under deferred payment terms and cash used for capital expenditures, offset by an increase in contract assets mainly due to revenue recognised during the period and timing of billings to customers. The Group's current liabilities increased year-on-year by S\$0.11 billion from S\$2.76 billion as at 31 December 2018 to S\$2.87 billion as at 31 December 2019 mainly due to reclassification of non-current borrowings that mature in FY2020 to current liabilities, offset by lower trade and other payables on payments made.

As at 31 December 2019, the Group had net current liabilities totalling S\$310 million, arising mainly from loans which mature in FY2020. The Group has adequate existing loan facilities to refinance current borrowings as they fall due.

30 June 2020 compared to 31 December 2019

The Group's current assets increased by S\$0.75 billion from S\$2.57 billion as at 31 December 2019 to S\$3.32 billion as at 30 June 2020 mainly due to an increase in cash and cash equivalents, arising from net proceeds from borrowings and receipts from customers, offset by capital expenditures and working capital for ongoing projects.

The Group's current liabilities increased by S\$0.71 billion from S\$2.87 billion as at 31 December 2019 to S\$3.58 billion as at 30 June 2020 mainly due to higher interest-bearing borrowings from the drawdown of new and existing facilities to strengthen liquidity during this COVID-19 period, offset by repayment.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

As at 30 June 2020, the Group had net current liabilities totalling S\$259 million arising mainly from term loans maturing in the next 12 months. The Group has adequate existing loan facilities to repay or refinance current borrowings as they fall due.

Manager's Responsibility Statement

- 2. A statement by the issue manager that, to the best of its knowledge and belief, the document constitutes full and true disclosure of all material facts about the issue, the issuer and its subsidiaries, and that the issue manager is not aware of any facts the omission of which would make any statement in the document misleading; and where the document contains a profit forecast, that it is satisfied that the profit forecast has been stated by the directors after due and careful enquiry and consideration.**

As provided in Appendix 8.2 of the Listing Manual, this requirement is not applicable if an issuer has to comply with the offer information statement requirements in the SFA.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

1. INTRODUCTION

1.1 Entitled Depositors are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. This Offer Information Statement (including the ARE) will not be despatched to Ineligible Shareholders. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank shall, where the Entitled Depositor is a Depository Agent, or where a Member Company is making an application in respect of a Broker-linked Balance linked to the Member Company, be taken to include an application made via the SGX-SFG Service.

1.2 The provisional allotments of Rights Shares are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions in the ARE.

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded). If an Entitled Depositor has Broker-linked Balance(s) and there are Rights Shares provisionally allotted to the Entitled Depositor in the Broker-linked Balance, a separate ARE will be issued for the number of Rights Shares provisionally allotted to the Entitled Depositor in each such Broker-linked Balance.

The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue, save as provided in paragraph 5.7 below. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares and payment for Excess Rights Shares are set out in this Offer Information Statement as well as the ARE.

Entitled Depositors should note that any provisional allotments of Rights Shares in a Broker-linked Balance which are accepted and (if applicable) any Excess Rights Shares credited pursuant to applications for Excess Rights Shares in respect of a Broker-linked Balance shall be credited to the same Broker-linked Balance.

1.3 If an Entitled Depositor wishes to accept his provisional allotments of Rights Shares specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Shares, he may do so by way of an Electronic Application (other than acceptances of and (if applicable) excess applications for Rights Shares for an Entitled Depositor's Broker-linked Balance which may not be by way of an Electronic Application made through an ATM of a Participating Bank) or by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the "Free Balance" of your Securities Account or Broker-linked Balance of your Securities Account (if applicable) is not credited with, or is credited with less than, the relevant number of Rights Shares accepted as at the last time and date for acceptance, (if applicable) application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE or this Offer Information Statement, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/ THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or **BY CREDITING HIS/ THEIR DESIGNATED BANK ACCOUNT(S) VIA CDP'S DIRECT CREDITING SERVICE**, as the case may be, (in each case) **AT HIS/ THEIR OWN RISK** without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP). In the event that an Entitled Depositor (who accepts and (if applicable) applies through CDP) is not subscribed to CDP's Direct Crediting Service, any monies to be returned will be retained by CDP and reflected

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

under the Cash Transaction section of his CDP monthly account statement (the retention by CDP being a good discharge of the Company's and the Sole Financial Adviser, Lead Manager and Underwriter's obligations).

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENTS OF RIGHTS SHARES SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES EITHER THROUGH CDP AND/OR (OTHER THAN FOR PROVISIONAL ALLOTMENTS OF RIGHTS SHARES IN AN ENTITLED DEPOSITOR'S BROKER-LINKED BALANCE) BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, OR WHERE A MEMBER COMPANY MAKES AN APPLICATION IN RESPECT OF A BROKER-LINKED BALANCE LINKED TO THE MEMBER COMPANY, IT MAY MAKE ITS ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION VIA THE SGX-SFG SERVICE.

Where an acceptance of the provisional allotments of Rights Shares, (if applicable) application for Excess Rights Shares and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, (if applicable) application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Company and CDP shall be authorised and entitled to process each application submitted for the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Depositor or a Member Company in respect of a Broker-linked Balance linked to the Member Company, on its own, without regard to any other application and payment that may be submitted by the same Entitled Depositor or (if applicable) by the Member Company in respect of a Broker-linked Balance in the Entitled Depositor's Securities Account linked to the Member Company. For the avoidance of doubt, insufficient payment for an application may render the application invalid, and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares.

- 1.4 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE and/or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- 1.5 An Entitled Depositor with provisional allotments of Rights Shares in a Broker-linked Balance should note that the Member Company linked to the Broker-linked Balance may accept the provisional allotments of Rights Shares held in the Broker-linked Balance and apply for Excess Rights Shares for such Broker-linked Balance. CDP shall not be responsible for ascertaining, verifying or investigating, and has no duty to ascertain, verify or investigate any particulars relating to the acceptance of the provisional allotments of Rights Shares held in a Broker-linked Balance and whether the Entitled Depositor has authorised the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

- 1.6 Details on the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares (other than in respect of Broker-linked Balances) are set out in paragraphs 2 to 4 below.

Details on the acceptance of the provisional allotments of Rights Shares in an Entitled Depositor's Broker-linked Balance and application for Excess Rights Shares for a Broker-linked Balance are set out in paragraphs 5 to 7 below.

- 1.7 By subscribing in the Rights Issue, an Entitled Depositor, a renounee or a Purchaser will be deemed to warrant, represent, agree and acknowledge that (i) he, and any account on whose behalf he is subscribing, are, (a) outside the United States (within the meaning of Regulation S under the Securities Act) and (b) acquiring the provisional allotments of Rights Shares, the Rights Shares and/or the Excess Rights Shares in an offshore transaction (within the meaning of Regulation S under the Securities Act) meeting the requirements of Regulation S; (ii) the provisional allotments of Rights Shares, the Rights Shares, and/or the Excess Rights Shares have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States in reliance on Regulation S; and (iii) the Company, the Company's advisors and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

2. **MODE OF ACCEPTANCE AND APPLICATION (OTHER THAN FOR BROKER-LINKED BALANCES)**

2.1 **Acceptance/Application by way of an Electronic Application through an ATM of a Participating Bank**

Instructions for Electronic Applications through ATMs of Participating Banks to accept the Rights Shares provisionally allotted or (if applicable) to apply for Excess Rights Shares will appear on the ATM screens of the respective Participating Banks. Please refer to Appendix B of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE RIGHTS SHARES PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS SHARES BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR/ITS ABSOLUTE DISCRETION, DEEM FIT.

Entitled Depositors, their renounees and/or Purchasers (other than Foreign Purchasers) who wish to accept their provisional allotments of Rights Shares and/or apply for Excess Rights Shares through an ATM of a Participating Bank should note that ELECTRONIC APPLICATIONS THROUGH ATMS OF PARTICIPATING BANKS WILL NOT BE AVAILABLE ON SATURDAY, 29 AUGUST 2020 DUE TO SYSTEM MAINTENANCE.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

2.2 Acceptance/Application through CDP

If the Entitled Depositor wishes to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares through CDP, he must:

- (i) complete and sign the ARE. In particular, he must state in Part (C)(i) of the ARE the total number of Rights Shares provisionally allotted to him which he wishes to accept and (if applicable) the number of Excess Rights Shares applied for, and in Part (C)(ii) of the ARE the 6 digits of the Cashier's Order or Banker's Draft; and
- (ii) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for, by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **SEMBCORP MARINE LTD, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**, so as to arrive not later than **5.00 P.M. ON 2 SEPTEMBER 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – SCM RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR: (1) DIFFERENT SECURITIES ACCOUNTS; OR (2) THE MAIN BALANCE AND ANY BROKER-LINKED BALANCE OF A SECURITIES ACCOUNT; OR (3) DIFFERENT BROKER-LINKED BALANCES OF A SECURITIES ACCOUNT, WILL BE ACCEPTED. NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

2.3 Acceptance/Application through the SGX-SFG Service (for Depository Agents only)

Depository Agents may accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares through the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Company to receive acceptances and (if applicable) applications on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and this Offer Information Statement as if the ARE had been completed, signed and submitted to CDP.

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotments of Rights Shares accepted by the Entitled Depositor and (if applicable) the Excess Rights Shares applied for by the Entitled Depositor, the attention of the Entitled Depositor is drawn to paragraphs 1.3 above and 8.2 below which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares in relation to the Rights Issue.

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2.5 Acceptance of Part of Provisional Allotments of Rights Shares and Trading of Provisional Allotments of Rights Shares

An Entitled Depositor may choose to accept his provisional allotments of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotments of Rights Shares and trade the balance of his provisional allotments of Rights Shares on the SGX-ST, he should:

- (i) complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or
- (ii) accept and subscribe for that part of his provisional allotments of Rights Shares by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his provisional allotments of Rights Shares may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotments trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotments trading period.

2.6 Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the Purchasers as arrangements will be made by CDP for a separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Purchasers should also note that if they make any purchase on or around the last trading day of the provisional allotments of Rights Shares, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Rights Shares. Purchasers may obtain a copy of this Offer Information Statement and its accompanying documents from CDP. Alternatively, Purchasers may accept and subscribe for their Rights Shares by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement and its accompanying documents will not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS SHARES REPRESENTED BY THE PROVISIONAL

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ALLOTMENTS OF RIGHTS SHARES PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ON THEIR BEHALF.

2.7 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with the “*Terms and Conditions for Operation of Securities Account with The Central Depository (Pte) Limited*”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce their provisional allotments of Rights Shares are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or (as the case may be) the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or (if applicable) application for Excess Rights Shares (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF FIVE (5) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARE AT AN ISSUE PRICE OF S\$0.20)

As an illustration, if an Entitled Depositor has 10,000 Shares standing to the credit of his Securities Account as at the Record Date, the Entitled Depositor will be provisionally allotted 50,000 Rights Shares as set out in his ARE. The Entitled Depositor’s alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives	Procedures to be taken
(i) Accept his entire provisional allotments of 50,000 Rights Shares and (if applicable) apply for Excess Rights Shares.	By way of an Electronic Application through an ATM of a Participating Bank (1) Accept his entire provisional allotments of 50,000 Rights Shares and (if applicable) apply for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than 9.30 p.m. on 2 September 2020 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

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Alternatives

Procedures to be taken

Through CDP

- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance in full of his provisional allotments of 50,000 Rights Shares and (if applicable) the number of Excess Rights Shares applied for and forward the original signed ARE together with a single remittance for S\$10,000.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and Excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore, and made payable to "**CDP – SCM RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by post, at his own risk, in the self-addressed envelope provided to **SEMBCORP MARINE LTD, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

- (ii) Accept a portion of his provisional allotments of Rights Shares, for example 10,000 provisionally allotted Rights Shares, not apply for Excess Rights Shares and trade the balance on the SGX-ST.

By way of an Electronic Application through an ATM of a Participating Bank

- (1) Accept his provisional allotments of 10,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

Through CDP

- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotments of 10,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S\$2,000.00, in the prescribed manner described in alternative (i)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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Alternatives

Procedures to be taken

The balance of the provisional allotments of 40,000 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotments trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.

- (iii) Accept a portion of his provisional allotments of Rights Shares, for example 10,000 provisionally allotted Rights Shares, and reject the balance.

By way of an Electronic Application through an ATM of a Participating Bank

- (1) Accept his provisional allotments of 10,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

Through CDP

- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotments of 10,000 Rights Shares and forward the original signed ARE, together with a single remittance for S\$2,000.00, in the prescribed manner described in alternative (i)(2) above to CDP so as to arrive not later than **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotments of 40,000 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 2 September 2020** or if an acceptance is not made through CDP by **5.00 p.m. on 2 September 2020**.

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5. MODE OF ACCEPTANCE AND APPLICATION (FOR BROKER-LINKED BALANCES)

5.1 Acceptance/Application through CDP

The Entitled Depositor should note that any provisional allotments of Rights Shares accepted and (if applicable) any Excess Rights Shares credited pursuant to applications for Excess Rights Shares made through an ARE in respect of a Broker-linked Balance shall be credited to the same Broker-linked Balance.

If the Entitled Depositor wishes to accept the provisional allotments of Rights Shares in a Broker-linked Balance and (if applicable) apply for Excess Rights Shares for his Broker-linked Balance through CDP, he must:

- (i) complete and sign the ARE in respect of the Rights Shares provisionally allotted in the Broker-linked Balance. In particular, he must state in Part (C)(i) of the ARE the total number of Rights Shares provisionally allotted to him which he wishes to accept and (if applicable) the number of Excess Rights Shares applied for, and in Part (C)(ii) of the ARE the 6 digits of the Cashier's Order or Banker's Draft; and
- (ii) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for, by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **SEMBCORP MARINE LTD, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**, so as to arrive not later than **5.00 P.M. ON 2 SEPTEMBER 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – SCM RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name of the Entitled Depositor and the relevant Broker-linked Balance Identification Number identifying the Broker-linked Balance the Cashier's Order or Banker's Draft is submitted for clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR: (1) DIFFERENT SECURITIES ACCOUNTS; OR (2) THE MAIN BALANCE AND ANY BROKER-LINKED BALANCE OF A SECURITIES ACCOUNT; OR (3) DIFFERENT BROKER-LINKED BALANCES OF A SECURITIES ACCOUNT, WILL BE ACCEPTED. NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

5.2 Acceptance/Application through the SGX-SFG Service (only for Member Companies making an application in respect of a Broker-linked Balance linked to the Member Company)

Member Companies may accept the provisional allotments of Rights Shares in a Broker-linked Balance linked to the Member Company and (if applicable) apply for Excess Rights Shares for a Broker-linked Balance linked to the Member Company through the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents and Member Companies. CDP has been authorised by the Company to receive acceptances and (if applicable) applications on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and this Offer Information Statement as if the ARE had been completed, signed and submitted to CDP.

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5.3 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotments of Rights Shares accepted by the Entitled Depositor and (if applicable) the Excess Rights Shares applied for by the Entitled Depositor, the attention of the Entitled Depositor is drawn to paragraphs 1.3 above and 8.2 below which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares in relation to the Rights Issue.

5.4 Acceptance of Part of Provisional Allotments of Rights Shares and Trading of Provisional Allotments of Rights Shares

An Entitled Depositor may choose to accept his provisional allotments of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotments of Rights Shares and trade the balance of his provisional allotments of Rights Shares on the SGX-ST, he should complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 5.1 above to CDP.

The balance of his provisional allotments of Rights Shares in a Broker-linked Balance may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotments trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotments trading period.

The ARE need not be forwarded to the Purchasers as arrangements will be made by CDP for a separate ARS to be issued to the Purchasers.

5.5 Trading of Provisional Allotments of Rights Shares by Member Company

A Member Company may trade all or part of the provisional allotments of Rights Shares in a Broker-linked Balance linked to the Member Company as soon as dealings therein commence on the SGX-ST. CDP shall not be responsible for ascertaining, verifying or investigating, and has no duty to ascertain, verify or investigate any particulars relating to the sale of provisional allotments of Rights Shares by the Member Company and whether the Entitled Depositor has authorised sale of the provisional allotments of Rights Shares by the Member Company.

5.6 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in a Broker-linked Balance in favour of a third party should obtain the approval of the Member Company linked to the Broker-linked Balance for the transfer of such provisional allotments of Rights Shares out of the Broker-linked Balance to the main balance of his Securities Account for such renunciation. An Entitled Depositor may request for such approval either (i) through CDP Online if he has registered for CDP Internet Access Service; or (ii) directly from the Member Company linked to the Broker-linked Balance. The Member Company should directly communicate its approval to CDP through the established communication channels between the Member Company and CDP, or initiate the transfer of such provisional allotments of Rights Shares from the Broker-linked Balance to the main balance of the Entitled Depositor's Securities Account.

Upon the transfer of the provisional allotments of Rights Shares which the Entitled Depositor wishes to renounce from the Broker-linked Balance to the main balance of the Entitled Depositor's Securities Account, the Entitled Depositor should complete the relevant transfer forms with CDP

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(including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which he wishes to renounce, and CDP shall only process the transfer forms for such renunciation only after such provisional allotments of Rights Shares are credited to the main balance of the Entitled Depositor's Securities Account. Renunciation shall be made in accordance with the "*Terms and Conditions for Operation of Securities Account with The Central Depository (Pte) Limited*", as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce their provisional allotments of Rights Shares are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

5.7 Transfers of Provisional Allotments of Rights Shares from a Broker-linked Balance of the Entitled Depositor's Securities Account

Entitled Depositors who wish to transfer their provisional allotments of Rights Shares in a Broker-linked Balance to the main balance or another Broker-linked Balance of the Entitled Depositor's Securities Account should obtain the approval of the Member Company linked to the originating Broker-linked Balance for the transfer of such provisional allotments of Rights Shares out of the Broker-linked Balance. An Entitled Depositor may request for such approval either (i) through CDP Online if he has registered for CDP Internet Access Service; or (ii) directly from the Member Company linked to the originating Broker-linked Balance (for transfer to the main balance of the Entitled Depositor's Securities Account only). The Member Company should directly communicate its approval to CDP through the established communication channels between the Member Company and CDP, or initiate the transfer of such provisional allotments of Rights Shares from the Broker-linked Balance to the main balance of the Entitled Depositor's Securities Account.

Upon the transfer of the provisional allotments of Rights Shares to the main balance or another Broker-linked Balance of the Securities Account, arrangements will be made by CDP for a separate ARS to be issued to the Entitled Depositor in respect of the provisional allotments of Rights Shares transferred to the main balance or another Broker-linked Balance of his Securities Account. As the Member Company may take up to the next Market Day to communicate its approval and effect the transfer, an Entitled Depositor who wishes to transfer his provisional allotments of Rights Shares from a Broker-linked Balance of his Securities Account is advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the Entitled Depositor by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the Entitled Depositor to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the Entitled Depositor is **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Alternatively, the Entitled Depositor may accept and subscribe for provisional allotments of Rights Shares in the main balance of his Securities Account by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above. Entitled Depositors who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP, for the period up to **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

An Entitled Depositor who wishes to transfer his provisional allotments of Rights Shares which were provisionally allotted to a Broker-linked Balance of his Securities Account should note that he will not be entitled to apply for Excess Rights Shares in connection with his acceptance of such provisional allotments of Rights Shares which have been transferred out of the originating Broker-linked Balance.

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6. ACCEPTANCES AND APPLICATIONS BY BOTH AN ENTITLED DEPOSITOR AND THE MEMBER COMPANY LINKED TO THE BROKER-LINKED BALANCE

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares in a Broker-linked Balance by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE, and the Member Company linked to such Broker-linked Balance also accepts any provisional allotments of Rights Shares in the Broker-linked Balance and/or applies for Excess Rights Shares in respect of the Broker-linked Balance, the Company and/or CDP shall be authorised and entitled to accept his and his Member Company's instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser and the Member Company shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or application for Excess Rights Shares whether made by him or the Member Company linked to the Broker-linked Balance in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

7. ILLUSTRATIVE EXAMPLES FOR RIGHTS SHARES PROVISIONALLY ALLOTTED TO A BROKER-LINKED BALANCE (ASSUMPTION: ON THE BASIS OF FIVE (5) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARE AT AN ISSUE PRICE OF S\$0.20)

As an illustration, if an Entitled Depositor has 10,000 Shares standing to the credit of a Broker-linked Balance of his Securities Account as at the Record Date, the Entitled Depositor will be provisionally allotted 50,000 Rights Shares in his Broker-linked Balance as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives	Procedures to be taken
(i) Accept his entire provisional allotments of 50,000 Rights Shares in the Broker-linked Balance and (if applicable) apply for Excess Rights Shares for the Broker-linked Balance.	(1) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance in full of his provisional allotments of 50,000 Rights Shares in the Broker-linked Balance and (if applicable) the number of Excess Rights Shares applied for the Broker-linked Balance and forward the original signed ARE together with a single remittance for S\$10,000.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and Excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to " CDP – SCM RIGHTS ISSUE ACCOUNT " and crossed " NOT NEGOTIABLE, A/C PAYEE ONLY " for the full amount due on acceptance and (if applicable) application, by post, at his own risk, in the self-addressed envelope provided to SEMBCORP MARINE LTD, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147 so as to arrive not later than 5.00 p.m. on 2 September 2020 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name of the Entitled Depositor and the relevant Broker-linked Balance Identification Number identifying the Broker-linked Balance for which the Cashier's Order or Banker's Draft is submitted, clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

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Alternatives	Procedures to be taken
	<p>NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR: (A) DIFFERENT SECURITIES ACCOUNTS; OR (B) THE MAIN BALANCE AND ANY BROKER-LINKED BALANCE OF A SECURITIES ACCOUNT; OR (C) DIFFERENT BROKER-LINKED BALANCES OF A SECURITIES ACCOUNT, WILL BE ACCEPTED. NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.</p>
<p>(ii) Accept a portion of his provisional allotments of Rights Shares in the Broker-linked Balance, for example 10,000 provisionally allotted Rights Shares, not apply for Excess Rights Shares and trade the balance on the SGX-ST.</p>	<p>(1) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotments of 10,000 Rights Shares in the Broker-linked Balance, and forward the original signed ARE, together with a single remittance for S\$2,000.00, in the prescribed manner described in alternative (i)(1) above, to CDP, so as to arrive not later than 5.00 p.m. on 2 September 2020 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).</p> <p>The balance of the provisional allotments of 40,000 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotments trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.</p>
<p>(iii) Accept a portion of his provisional allotments of Rights Shares, for example 10,000 provisionally allotted Rights Shares, and reject the balance.</p>	<p>(1) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotments of 10,000 Rights Shares in the Broker-linked Balance and forward the original signed ARE, together with a single remittance for S\$2,000.00, in the prescribed manner described in alternative (i)(1) above to CDP so as to arrive not later than 5.00 p.m. on 2 September 2020 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).</p> <p>The balance of the provisional allotments of 40,000 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through CDP by 5.00 p.m. on 2 September 2020.</p>

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8. TIMING AND OTHER IMPORTANT INFORMATION

8.1 Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IN RELATION TO THE RIGHTS ISSUE IS:

- (I) 9.30 P.M. ON 2 SEPTEMBER 2020 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; AND**
- (II) 5.00 P.M. ON 2 SEPTEMBER 2020 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH CDP OR THE SGX-SFG SERVICE.**

If acceptance, (if applicable) application and payment for the Rights Shares in the prescribed manner as set out in the ARE, the ARS or the PAL (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser or Member Company (in respect of a Broker-linked Balance), the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All unsuccessful application moneys received by CDP in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by crediting their designated bank accounts via CDP's Direct Crediting Service **AT THE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)**. In the event that he is not subscribed to CDP's Direct Crediting Service, any monies to be returned or refunded will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (such retention by CDP being a good discharge of the Company's and the Sole Financial Adviser, Lead Manager and Underwriter's obligations).

IF AN ENTITLED DEPOSITOR OR A PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

8.2 Appropriation

Without prejudice to paragraph 1.3 above, an Entitled Depositor should note that:

- (i) by accepting his provisional allotments of Rights Shares and/or (if applicable) applying for Excess Rights Shares, he acknowledges that, in the case where the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for Excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount actually received by CDP, the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares provisionally allotted to

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Shares. The determination and appropriation by the Company and CDP shall be conclusive and binding;

- (ii) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the provisional allotments of Rights Shares and (if applicable) his application for Excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP; and
- (iii) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Excess Rights Shares (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

8.3 Availability of Excess Rights Shares

The Excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares together with the aggregated fractional entitlements to the Rights Shares, any unsold "nil-paid" provisional allotments of Rights Shares (if any) of Ineligible Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders (including SCI with respect to the SCI Excess Rights Shares) who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to refuse any application for Excess Rights Shares, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Shares allotted to an Entitled Depositor is less than the number of Excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of Excess Rights Shares actually allotted to him.

If no Excess Rights Shares are allotted or if the number of Excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application moneys, as the case may be, will be refunded to such Entitled Depositors or Member Companies (in respect of applications for Rights Shares made by Member Companies for Broker-linked Balances), without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Company, the Sole Financial Adviser, Lead Manager and

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Underwriter and CDP of their obligations, if any, thereunder, or by crediting their designated bank accounts via CDP's Direct Crediting Service **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares through CDP). In the event that an Entitled Depositor (who had applied for Excess Rights Shares through CDP) is not subscribed to CDP's Direct Crediting Service, any monies to be refunded will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (the retention by CDP being a good discharge of the Company's and the Sole Financial Adviser, Lead Manager and Underwriter's obligations).

8.4 Deadlines

It should be particularly noted that unless:

- (i) acceptance of the provisional allotments of Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Shares is effected by **9.30 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (ii) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – SCM RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft is submitted by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **SEMBCORP MARINE LTD, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (iii) acceptance is made by a Depository Agent or a Member Company in respect of a Broker-linked Balance linked to the Member Company via the SGX-SFG Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent(s) or Member Company(ies) for the provisional allotments of Rights Shares is effected by **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotments of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All unsuccessful application moneys received by CDP in connection therewith will be returned to the Entitled Depositors or the Purchasers or the Depository Agent or Member Company (as the case may be) without interest or any share of revenue or other benefit arising therefrom by crediting their designated bank accounts via CDP's Direct Crediting Service where acceptance and/or application is made through CDP or by means of telegraphic transfer where refunds are to be made to a Depository Agent or Member Company and at the **ENTITLED DEPOSITOR'S OR PURCHASERS' OR DEPOSITORY AGENT'S OR MEMBER COMPANY'S OWN RISK (AS THE CASE MAY BE)**. In the event that the Entitled Depositor or Purchaser is not subscribed to CDP's Direct Crediting Service, any monies to be returned or refunded will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (such retention by CDP being a good discharge of the Company's and the Sole Financial Adviser, Lead Manager and Underwriter's obligations).

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

8.5 Certificates

The certificates for the Rights Shares and Excess Rights Shares will be registered in the name of CDP or its nominee. Upon the crediting of the Rights Shares and Excess Rights Shares, CDP will send to Entitled Depositors and/or Purchasers, **BY ORDINARY POST AND AT THEIR OWN RISK**, notification letters showing the number of Rights Shares and Excess Rights Shares credited to their Securities Accounts.

8.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares provisionally allotted and credited to an Entitled Depositor's Securities Account. An Entitled Depositor can verify the number of Rights Shares provisionally allotted and credited to his Securities Account online if he has registered for CDP Internet Access Service. Alternatively, an Entitled Depositor may proceed personally to CDP with his identity card or passport to verify the number of Rights Shares provisionally allotted and credited to his Securities Account.

It is the responsibility of an Entitled Depositor and/or Purchaser to ensure that the ARE and/or ARS is accurately completed in all respects and signed in its originality. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS SHARES IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post or deposited into boxes located at CDP's premises.

All communications, notices, documents and remittances to be delivered or sent to an Entitled Depositor and/or Purchaser will be sent by **ORDINARY POST** to his mailing address as maintained in the records of CDP, and **AT HIS OWN RISK**.

8.7 Personal Data Privacy

By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, an Entitled Depositor, a renounee or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

PROCEDURES TO COMPLETE THE ARE / ARS

1. Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Shares currently held by you

XX,XXX

This is your shareholdings as at the Record Date.

Shares as at
5.00 P.M. ON 14 AUGUST 2020
(Record Date)

This is the date to determine your Rights Shares entitlements.

Number of Rights Shares provisionally allotted*

XX,XXX

This is your number of Rights Shares entitlements.

Issue Price

S\$0.20 per Rights Share

This is the price that you need to pay when you subscribe for one (1) Rights Share.

2. Select your application options

B. SELECT YOUR APPLICATION OPTIONS

1. ATM Follow the procedures set out on the ATM screen and submit your application through an ATM of a Participating Bank by **9.30 P.M. ON 2 SEPTEMBER 2020**. Please note that **Electronic Applications through ATMs of Participating Banks will not be available on Saturday, 29 August 2020 due to system maintenance.**

Participating Banks are **DBS BANK LTD. (including POSB), OVERSEA-CHINESE BANKING CORPORATION LIMITED and UNITED OVERSEAS BANK LIMITED.**

This is the last time and date to subscribe for the Rights Shares through the ATMs and/or CDP.

2. Mail Complete section C below and submit this form to CDP by **5.00 P.M. ON 2 SEPTEMBER 2020**

- (i) Only **BANKER'S DRAFT/CASHIER'S ORDER** payable to "**CDP - SCM RIGHTS ISSUE ACCOUNT**" will be accepted.
- (ii) Applications using a **PERSONAL CHEQUE, POSTAL ORDER or MONEY ORDER** will be rejected.
- (iii) Write your name and securities account number on the back of the Banker's Draft/Cashier's Order.

You can apply for your Rights Shares through ATMs of the Participating Banks.

This is the payee name to be issued on your Cashier's Order where SCM is the name of the issuer.

Note:

Please refer to the ARE / ARS for the actual holdings, entitlements, Record Date, Issue Price, Closing Date, list of Participating Banks and payee name on the Cashier's Order or Banker's Draft.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Declaration

C. DECLARATION

Please read the instructions overleaf and fill in the blanks below accordingly.

i. Total Number of Rights Shares Applied: (Provisionally Allotted + Excess Rights Shares) , , ,

ii. Cashier's Order/Banker's Draft Details**: (Input 6 digits of CO/BD)

Signature of Entitled Depositor(s)

Date

Fill in the total number of the Rights Shares and Excess Rights Shares (for ARE) / total number of the Rights Shares (for ARS) that you wish to subscribe for within the boxes.

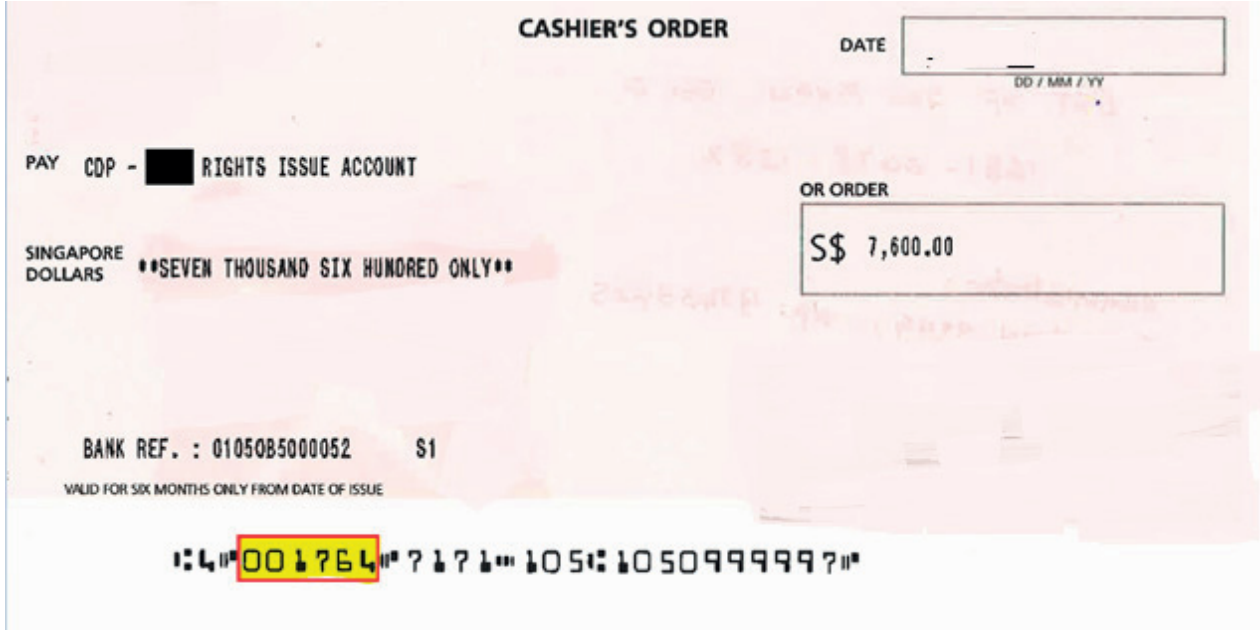
Fill in the 6 digits of the CO / BD number (eg.001764) within the boxes.

Sign within the box.

Notes:

- (i) If the total number of Rights Shares applied for exceeds the provisional allotted holdings in your Securities Account as at the Closing Date, the remaining application will be put under excess and subjected to the excess allocation basis.
- (ii) The total number of Rights Shares applied for will be based on the cash amount stated in your Cashier's Order or Banker's Draft. The total number of Rights Shares will be appropriated accordingly if the applied quantity exceeds this amount.
- (iii) Please note to submit one (1) Cashier's Order or Banker's Draft per application form.

3. Sample of a Cashier's Order



APPENDIX B – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

The procedures for Electronic Applications through ATMs of Participating Banks are set out on the ATM screens of the relevant Participating Banks. Please read carefully the terms and conditions of this Offer Information Statement, the procedures for Electronic Applications on the ATM screens of the relevant Participating Banks and the terms and conditions for Electronic Applications through an ATM of a Participating Bank set out below before making an Electronic Application through an ATM of a Participating Bank. An ATM card issued by one Participating Bank cannot be used to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares at an ATM belonging to other Participating Banks. Any Electronic Application through an ATM of a Participating Bank which does not strictly conform to the instructions set out on the screens of the ATM of a Participating Bank through which the Electronic Application is made will be rejected.

All references to “Rights Issue” and “Rights Application” on the ATM screens of the Participating Banks shall mean the offer of Rights Shares under the Rights Issue and the acceptance of provisional allotments of Rights Shares and (if applicable) the application for Excess Rights Shares, respectively. All references to “Document” on the ATM screens of the Participating Banks shall mean this Offer Information Statement.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications through an ATM of a Participating Bank and the procedures for Electronic Applications on the ATM screens of the relevant Participating Banks shall mean the Entitled Depositor or his renounee or the Purchaser of the provisional allotments of Rights Shares who accepts the provisional allotments of Rights Shares or (as the case may be) who applies for the Rights Shares through an ATM of a Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, one of the Participating Banks before he can make an Electronic Application through an ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction through an ATM of a Participating Bank, the Applicant will receive an ATM transaction slip, confirming the details of his Electronic Application. The ATM transaction slip is for retention by the Applicant and should not be submitted with any ARE and/or ARS.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him by that Participating Bank in his own name. Using his own Securities Account number with an ATM card which is not issued to him by that Participating Bank in his own name will render his acceptance or (as the case may be) excess application liable to be rejected.

For CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents, acceptances of the provisional allotments of Rights Shares and (if applicable) applications for Excess Rights Shares must be done through their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, respectively. ANY ACCEPTANCE AND/OR (IF APPLICABLE) APPLICATION MADE DIRECTLY BY THE ABOVE-MENTIONED PERSONS THROUGH CDP, ELECTRONIC APPLICATIONS THROUGH ATMS OF THE PARTICIPATING BANKS, THE SHARE REGISTRAR AND/OR THE COMPANY WILL BE REJECTED. The above-mentioned persons, where applicable, will receive notification letter(s) from their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the provisional allotments of Rights Shares and (if applicable) applications for Excess Rights Shares to their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, as the case may be. CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents should refer to the section “*Important Notice to (A) CPFIS Members, (B) SRS Investors and (C) Investors who hold Shares through a Finance Company and/or Depository Agent*” for important details relating to the offer procedure for them.

APPENDIX B – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

For renounees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares represented by the provisional allotments of Rights Shares must be done through their respective finance companies or Depository Agents, as the case may be. ANY ACCEPTANCE MADE DIRECTLY BY SUCH RENOUNCEES AND PURCHASERS THROUGH CDP, ELECTRONIC APPLICATIONS THROUGH ATMS OF THE PARTICIPATING BANKS, THE SHARE REGISTRAR AND/OR THE COMPANY WILL BE REJECTED. Such renounees and Purchasers will receive notification letter(s) from their respective finance companies or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the provisional allotments of Rights Shares to their respective finance companies or Depository Agents, as the case may be.

The Electronic Application through an ATM of a Participating Bank shall be made on, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

1. In connection with his Electronic Application through an ATM of a Participating Bank for the Rights Shares, the Applicant is required to confirm statements to the following effect in the course of activating the ATM of a Participating Bank for his Electronic Application:
 - (i) that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of and (as the case may be) application for the Rights Shares under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and
 - (ii) that he authorises CDP to give, provide, divulge, disclose or reveal information pertaining to his Securities Account maintained in CDP's record, including, without limitation, his name(s), his NRIC number(s) or passport number(s), Securities Account number(s), address(es), the number of Shares standing to the credit of his Securities Account, the number of provisional allotments of Rights Shares allotted to him, his acceptance and (if applicable) application for Excess Rights Shares and any other information (the "**Relevant Particulars**") to the Company and any other relevant parties (the "**Relevant Parties**") as CDP may deem fit for the purpose of the Rights Issue and his acceptance and (if applicable) application.

His acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares will not be successfully completed and cannot be recorded as a completed transaction in the ATM of a Participating Bank unless he presses the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(ii) above, his confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by the Participating Bank of the Relevant Particulars to the Relevant Parties.

2. An Applicant may make an Electronic Application through an ATM of any Participating Bank for the Rights Shares using cash only by authorising such Participating Bank to deduct the full amount payable from his bank account with such Participating Bank.
3. The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Rights Shares provisionally allotted and Excess Rights Shares applied for as stated on the ATM transaction slip confirming the details of his Electronic Application, or the number of Rights Shares standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date (whichever is the lesser number). In the event that the Company decides to allot any lesser number of Excess Rights Shares or not to allot any number of Excess Rights Shares to the Applicant, the Applicant agrees to accept the Company's decision as final and binding.

APPENDIX B – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

4. If the Applicant's Electronic Application through an ATM of a Participating Bank is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be, on the ATM screen of a Participating Bank) of the number of Rights Shares accepted and/or Excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of Rights Shares accepted and/or Excess Rights Shares applied for that may be allotted to him.
5. In the event that the Applicant accepts the provisional allotments of Rights Shares both by way of the ARE and/or the ARS (as the case may be) and also by Electronic Application, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of Rights Shares which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of provisionally allotted Rights Shares which are standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date and the aggregate number of Rights Shares which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application. The Company and/or CDP, in determining the number of Rights Shares which the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the provisional allotments of Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE and/or the ARS, or by way of the acceptance through Electronic Application, which he has authorised or deemed to have authorised to be applied towards the payment in respect of his acceptance.
6. If applicable, in the event that the Applicant applies for Excess Rights Shares both by way of the ARE and also by Electronic Application, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of Excess Rights Shares which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of Excess Rights Shares not exceeding the aggregate number of Excess Rights Shares for which he has applied by way of the ARE and by way of application through Electronic Application. The Company and/or CDP, in determining the number of Excess Rights Shares which the Applicant has given valid instructions for the application of, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application for the Excess Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE, or by way of application through Electronic Application, which he has authorised or deemed to have authorised to be applied towards the payment in respect of his application.
7. The Applicant irrevocably requests and authorises the Company to:
 - (i) register or to procure the registration of the Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;
 - (ii) return or refund (without interest or any share of revenue or other benefit arising therefrom) the full amount of the acceptance/application monies, should his Electronic Application through an ATM of a Participating Bank in respect of the provisional allotments of Rights Shares not be accepted and/or Excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with the relevant Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares; and
 - (iii) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application through an ATM of a Participating Bank for Excess Rights Shares be accepted in part only, by automatically

APPENDIX B – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

crediting the Applicant's bank account with the relevant Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares.

8. **BY MAKING AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS A NOMINEE OF ANY OTHER PERSON.**
9. By making an Electronic Application through an ATM of a Participating Bank and subscribing in the Rights Issue, the Applicant will be deemed to warrant, represent, agree and acknowledge that (i) he, and any account on whose behalf he is subscribing, are, (a) outside the United States (within the meaning of Regulation S under the Securities Act) and (b) acquiring the provisional allotments of Rights Shares, the Rights Shares and/or the Excess Rights Shares in an offshore transaction (within the meaning of Regulation S under the Securities Act) meeting the requirements of Regulation S; (ii) the provisional allotments of Rights Shares, the Rights Shares, and/or the Excess Rights Shares have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States in reliance on Regulation S; and (iii) the Company, the Company's advisors and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.
10. The Applicant irrevocably agrees and acknowledges that his Electronic Application through an ATM of a Participating Bank is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Company, the Share Registrar and/or the Sole Financial Adviser, Lead Manager and Underwriter) and any events whatsoever beyond the control of CDP, the Participating Banks, the Company, the Share Registrar and/or the Sole Financial Adviser, Lead Manager and Underwriter, and if, in any such event, CDP, the Participating Banks, the Company, the Share Registrar and/or the Sole Financial Adviser, Lead Manager and Underwriter do not record or receive the Applicant's Electronic Application through an ATM of a Participating Bank by **9.30 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application through an ATM of a Participating Bank and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Company, the Directors, the Share Registrar and/or the Sole Financial Adviser, Lead Manager and Underwriter and their respective officers for any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damage in connection therewith or in relation thereto.
11. **Entitled Depositors, their renounees and/or Purchasers (other than Foreign Purchasers) who wish to accept their provisional allotments of Rights Shares and/or apply for Excess Rights Shares through an ATM of a Participating Bank should note that ELECTRONIC APPLICATIONS THROUGH ATMS OF PARTICIPATING BANKS WILL NOT BE AVAILABLE ON SATURDAY, 29 AUGUST 2020 DUE TO SYSTEM MAINTENANCE. Subject to the foregoing, Electronic Applications may only be made through ATMs of Participating Banks from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m., excluding public holidays.**
12. Electronic Applications through ATMs of Participating Banks shall close at **9.30 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
13. All particulars of the Applicant in the records of the relevant Participating Bank at the time he makes his Electronic Application through an ATM of the relevant Participating Bank shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application through an ATM of the relevant Participating Bank, the Applicant shall promptly notify the relevant Participating Bank.

APPENDIX B – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

14. The Applicant must have sufficient funds in his bank account(s) with the relevant Participating Bank at the time he makes his Electronic Application through an ATM of the relevant Participating Bank, failing which his Electronic Application will not be completed. Any Electronic Application made through ATMs of Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
15. Where an Electronic Application through an ATM of a Participating Bank is not accepted, it is expected that the full amount of the acceptance/application monies will be returned or refunded in Singapore currency (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's bank account with the relevant Participating Bank within three (3) business days after the commencement of trading of the Rights Shares. An Electronic Application through an ATM of a Participating Bank may also be accepted in part, in which case the balance amount of acceptance/application monies will be refunded on the same terms.
16. In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), and by making and completing an Electronic Application through an ATM of a Participating Bank, the Applicant agrees that:
 - (i) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document is lodged with the MAS);
 - (ii) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (iii) none of the Company, CDP, the Participating Banks, the Share Registrar nor the Sole Financial Adviser, Lead Manager and Underwriter shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 10 above or to any cause beyond their respective control;
 - (iv) he will not be entitled to exercise any remedy of rescission for misrepresentation at any time after his acceptance of the provisionally allotted Rights Shares and (if applicable) his application for Excess Rights Shares;
 - (v) in respect of the Rights Shares for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (vi) unless expressly provided to the contrary in this Offer Information Statement and/or the Electronic Application, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

APPENDIX B – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

17. The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Banks are correct and identical; otherwise, his Electronic Application through an ATM of a Participating Bank may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.
18. The existence of a trust will not be recognised. Any Electronic Application through an ATM of a Participating Bank by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
19. In the event that the Applicant accepts the provisionally allotted Rights Shares and (if applicable) applies for Excess Rights Shares, as the case may be, by way of the ARE and/or the ARS and/or by way of an Electronic Application through an ATM of the Participating Banks, the provisionally allotted Rights Shares and/or Excess Rights Shares will be allotted in such manner as the Company and/or CDP may, in their/its absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be returned or refunded, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares by any one or a combination of the following:
 - (i) by crediting the Applicant's designated bank account via CDP's Direct Crediting Service **AT HIS OWN RISK** if he accepts and (if applicable) applies through CDP. In the event that such Applicant is not subscribed to CDP's Direct Crediting Service, any monies to be returned or refunded will be retained by CDP and reflected under the Cash Transaction section of his CDP monthly account statement (the retention by CDP being a good discharge of the Company's and the Sole Financial Adviser, Lead Manager and Underwriter's obligations); and
 - (ii) by crediting the Applicant's bank account with the Participating Bank **AT HIS OWN RISK** if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank being a good discharge of the Company's, the Sole Financial Adviser, Lead Manager and Underwriter's and CDP's obligations.
20. The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotments of Rights Shares which he can validly accept, the Company and/or CDP are entitled, and the Applicant hereby authorises the Company and/or CDP, to take into consideration:
 - (i) the total number of Rights Shares represented by the provisional allotments of Rights Shares which the Applicant has validly accepted, whether under the ARE and/or the ARS or any other form of application (including an Electronic Application through an ATM of a Participating Bank) for the Rights Shares;
 - (ii) the total number of Rights Shares represented by the provisional allotments of Rights Shares standing to the credit of the "Free Balance" of the Applicant's Securities Account which is available for acceptance; and
 - (iii) the total number of Rights Shares represented by the provisional allotments of Rights Shares which has been disposed of by the Applicant.

The Applicant hereby acknowledges that the Company's and/or CDP's determination shall be conclusive and binding on him.
21. The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application through an ATM of that Participating Bank is made in respect of the provisional allotments of Rights Shares accepted by the Applicant and (if applicable) the Excess Rights Shares which the Applicant has applied for.

APPENDIX B – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

22. With regard to any acceptance of the provisional allotments of Rights Shares, (if applicable) application for Excess Rights Shares and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue, or where the “Free Balance” of the Applicant’s Securities Account is not credited with, or is credited with less than, the relevant number of Rights Shares subscribed as at the Closing Date, or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an acceptance and/or application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, (if applicable) application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.

23. The Company and/or CDP shall be entitled to process each application submitted for the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Applicant, on its own, without regard to any other application and payment that may be submitted by the same Applicant. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares.

APPENDIX C – PROCEDURES FOR APPLICATION, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

1. INTRODUCTION

- 1.1 Entitled Scripholders are entitled to receive this Offer Information Statement with the following documents which are enclosed with, and are deemed to constitute a part of, this Offer Information Statement:

PAL incorporating:

Form of Acceptance	Form A
Request for Splitting	Form B
Form of Renunciation	Form C
Form of Nomination	Form D
Excess Rights Shares Application Form	Form E

- 1.2 The provisional allotment of the Rights Shares is governed by the terms and conditions of this Offer Information Statement, the PAL and (if applicable) the Constitution of the Company. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlements, if any, having been disregarded). Entitled Scripholders may accept their provisional allotments of Rights Shares, in full or in part, and are eligible to apply for Rights Shares in excess of their provisional allotments of Rights Shares under the Rights Issue.
- 1.3 Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split their provisional allotments of Rights Shares are set out in this Offer Information Statement as well as the PAL.
- 1.4 With regard to any acceptance of the provisional allotments of Rights Shares, (if applicable) application for Excess Rights Shares and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the terms and conditions of this Offer Information Statement, or in the case of an acceptance and/or application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or the Share Registrar may, at their/its absolute discretion, reject or treat as invalid any such acceptance, (if applicable) application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.
- 1.5 The Company and/or the Share Registrar shall be entitled to process each application submitted for the acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of the provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares.
- 1.6 **Entitled Scripholders who intend to trade any part of their provisional allotments of Rights Shares on the SGX-ST should note that all dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.**

APPENDIX C – PROCEDURES FOR APPLICATION, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

- 1.7 Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the PAL has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- 1.8 By subscribing in the Rights Issue, an Entitled Scripholder or a renounee will be deemed to warrant, represent, agree and acknowledge that (i) he, and any account on whose behalf he is subscribing, are, (a) outside the United States (within the meaning of Regulation S under the Securities Act) and (b) acquiring the provisional allotments of Rights Shares, the Rights Shares and/or the Excess Rights Shares in an offshore transaction (within the meaning of Regulation S under the Securities Act) meeting the requirements of Regulation S; (ii) the provisional allotments of Rights Shares, the Rights Shares, and/or the Excess Rights Shares have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States in reliance on Regulation S; and (iii) the Company, the Company's advisors and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

2. FORM OF ACCEPTANCE (FORM A)

2.1 Acceptance

An Entitled Scripholder who wishes to accept his entire provisional allotments of Rights Shares or to accept any part of it and decline the balance, should:

- (i) complete and sign the Form of Acceptance (Form A) for the number of Rights Shares which he wishes to accept; and
- (ii) forward **AT THE SENDER'S OWN RISK**, by post in the self-addressed envelope provided, the PAL in its entirety, duly completed and signed, together with a single remittance for the full amount due and payable on acceptance in the manner hereinafter prescribed to **SEMBCORP MARINE LTD, C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD., 333 NORTH BRIDGE ROAD, #08-00, KH KEA BUILDING, SINGAPORE 188721** so as to arrive not later than **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.2 Insufficient Payment

The attention of the Entitled Scripholder is also drawn to paragraph 2.3 below entitled "Appropriation" which sets out the circumstances and manner in which the Company and/or the Share Registrar shall be authorised and entitled to determine the number of Rights Shares which the Entitled Scripholder has given instructions to accept.

2.3 Appropriation

An Entitled Scripholder should note that by accepting his provisional allotments of Rights Shares, he acknowledges that, the Company and/or the Share Registrar, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the provisional allotments of Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore.

APPENDIX C – PROCEDURES FOR APPLICATION, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

3. REQUEST FOR SPLITTING (FORM B) AND FORM OF RENUNCIATION (FORM C)

- 3.1 Entitled Scripholders who wish to accept a portion of their provisional allotments of Rights Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one person, should first, using the Request for Splitting (Form B), request to have their provisional allotments of Rights Shares under the PAL split into separate PALs ("**Split Letters**") according to their requirements. The duly completed and signed Request for Splitting (Form B) together with the PAL in its entirety should then be returned, by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK, to SEMBCORP MARINE LTD, C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD., 333 NORTH BRIDGE ROAD, #08-00, KH KEA BUILDING, SINGAPORE 188721**, not later than **5.00 p.m. on 27 August 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B together with the PAL in its entirety is received after **5.00 p.m. on 27 August 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.2 The Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce may be renounced by completing and signing the Form of Renunciation (Form C) before delivery to the renounee. Entitled Scripholders should complete and sign the Form of Acceptance (Form A) of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any. The said Split Letter(s) together with the remittance for the payment (if required) in the prescribed manner should be forwarded to **SEMBCORP MARINE LTD, C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD., 333 NORTH BRIDGE ROAD, #08-00, KH KEA BUILDING, SINGAPORE 188721** so as to arrive not later than **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.3 Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete and sign the Form of Renunciation (Form C) for the number of provisional allotments of Rights Shares which they wish to renounce and deliver the PAL in its entirety to the renounees. **Entitled Scripholders are to deliver this Offer Information Statement to the renounees together with the PAL.**

4. FORM OF NOMINATION (WITH CONSOLIDATED LISTING FORM) (FORM D)

- 4.1 The renounee(s) should complete and sign the Form of Nomination (Form D) and forward the Form of Nomination (Form D), together with the PAL in its entirety, duly completed and signed, and a single remittance for the full amount due and payable in the prescribed manner by post **AT HIS/THEIR OWN RISK**, in the self-addressed envelope provided, to **SEMBCORP MARINE LTD, C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD., 333 NORTH BRIDGE ROAD, #08-00, KH KEA BUILDING, SINGAPORE 188721**, so as to arrive not later than **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 4.2 Each Entitled Scripholder may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing the Form of Acceptance (Form A) and the Consolidated Listing Form in the Form of Nomination (Form D) of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in the Form of Nomination (Form D) of only one (1) PAL or Split Letter (the "**Principal PAL**") by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each

APPENDIX C – PROCEDURES FOR APPLICATION, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALS AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO THE FORM OF ACCEPTANCE (FORM A) OR THE FORM OF NOMINATION (FORM D) (AS THE CASE MAY BE).**

5. PAYMENT

- 5.1 Payment in relation to the PALs must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**SCM RIGHTS SHARE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. The completed PAL and remittance should be addressed and forwarded, by post in the self-addressed envelope provided and **AT THE SENDER'S OWN RISK**, to **SEMBCORP MARINE LTD, C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD., 333 NORTH BRIDGE ROAD, #08-00, KH KEA BUILDING, SINGAPORE 188721** so as to arrive not later than **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**
- 5.2 If acceptance and (if applicable) excess application and payment in the prescribed manner as set out in this Offer Information Statement and the PAL is not received by **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotments of Rights Shares will be deemed to have been declined and will forthwith lapse and become void and cease to be capable of acceptance and such provisional allotments of Rights Shares not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return or refund all unsuccessful application monies received in connection therewith **BY ORDINARY POST AND AT THE RISK OF THE ENTITLED SCRIPHOLDERS OR THEIR RENOUNCEE(S), AS THE CASE MAY BE**, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares.

6. EXCESS RIGHTS SHARES APPLICATION FORM (FORM E)

- 6.1 Entitled Scripholders who wish to apply for Excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing the Excess Rights Shares Application Form (Form E) and forwarding it together with the PAL in its entirety with a **separate single** remittance for the full amount payable in respect of the Excess Rights Shares applied for in the form and manner set out in paragraph 5 above, by post in the self-addressed envelope provided **AT THEIR OWN RISK**, to **SEMBCORP MARINE LTD, C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD., 333 NORTH BRIDGE ROAD, #08-00, KH KEA BUILDING, SINGAPORE 188721** so as to arrive not later than **5.00 p.m. on 2 September 2020** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**
- 6.2 The Excess Rights Shares available for application are subject to the terms and conditions contained in the PAL, the Excess Rights Shares Application Form (Form E), this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, the aggregated fractional entitlements to the Rights Shares, the unsold "nil-paid" provisional allotments of Rights Shares (if any) of Ineligible Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the PAL, the Excess Rights Shares Application Form (Form E), this Offer Information Statement and (if applicable)

APPENDIX C – PROCEDURES FOR APPLICATION, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

the Constitution of the Company. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders (including SCI with respect to the SCI Excess Rights Shares) who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to reject, in whole or in part, any application for Excess Rights Shares without assigning any reason whatsoever.

- 6.3 If no Excess Rights Shares are allotted to Entitled Scripholders or if the number of Excess Rights Shares allotted to them is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be returned or refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of trading of the Rights Shares, **BY ORDINARY POST** to their mailing addresses as maintained in the records of the Company **AT THEIR OWN RISK**.

7. GENERAL

- 7.1 No acknowledgements or receipts will be issued in respect of any acceptances, remittances, applications or payments received.
- 7.2 **Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**
- 7.3 Upon listing and quotation on the Main Board of the SGX-ST, the Rights Shares, when allotted and issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "*Terms and Conditions for Operation of Securities Account with The Central Depository (Pte) Limited*", as the same may be amended from time to time. Copies of the above are available from CDP.
- 7.4 **To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and (if applicable) the Excess Rights Shares that may be allotted to them can be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or (if applicable) apply for the Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical share certificates in their own names for the Rights Shares allotted to them and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title. These physical share certificates will be sent BY ORDINARY POST to person(s) entitled thereto AT HIS/THEIR OWN RISK.**

APPENDIX C – PROCEDURES FOR APPLICATION, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

- 7.5 If the Entitled Scripholders' addresses stated in the PAL are different from their addresses maintained in the records of CDP, they must inform CDP of their updated addresses promptly, failing which the notification letter on successful allotments and other correspondences will be sent to their addresses last registered with CDP.
- 7.6 A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his existing share certificate(s), together with the duly executed instrument(s) of transfer (including any applicable fee) in favour of CDP, and have his Securities Account credited with the number of Rights Shares or existing Shares, as the case may be, before he can effect the desired trade.
- 7.7 **THE FULL AMOUNT PAYABLE FOR THE RELEVANT NUMBER OF RIGHTS SHARES ACCEPTED/APPLIED FOR WILL BE ROUNDED UP TO THE NEAREST WHOLE CENT, IF APPLICABLE.**
- 7.8 **THE LAST TIME AND DATE FOR ACCEPTANCES OF AND/OR (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IS 5.00 P.M. ON 2 SEPTEMBER 2020 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).**

7.9 Personal Data Privacy

By completing and delivering the PAL, an Entitled Scripholder or a renounee (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.