

The background of the slide features a composite image. On the left, there is an offshore oil rig with a large derrick and a helicopter landing pad. To the right, a series of wind turbines are visible against a sky with soft, white clouds. A semi-transparent blue arc is positioned over the right side of the image, framing the portrait of Adrian Teng.

FINANCIAL AND CAPITAL MANAGEMENT



ADRIAN TENG
Chief Financial Officer



INVESTOR DAY 2024

Towards Profitable and
Resilient Growth

15 March 2024



FINANCIAL ROADMAP TO 2028



PATH TO PROFITABILITY

- Higher revenue and profits
- Synergies and cost optimisation



FINANCIAL RESILIENCY

- Capital structure optimisation
- Sustainable and diversified financing



CAPITAL ALLOCATION

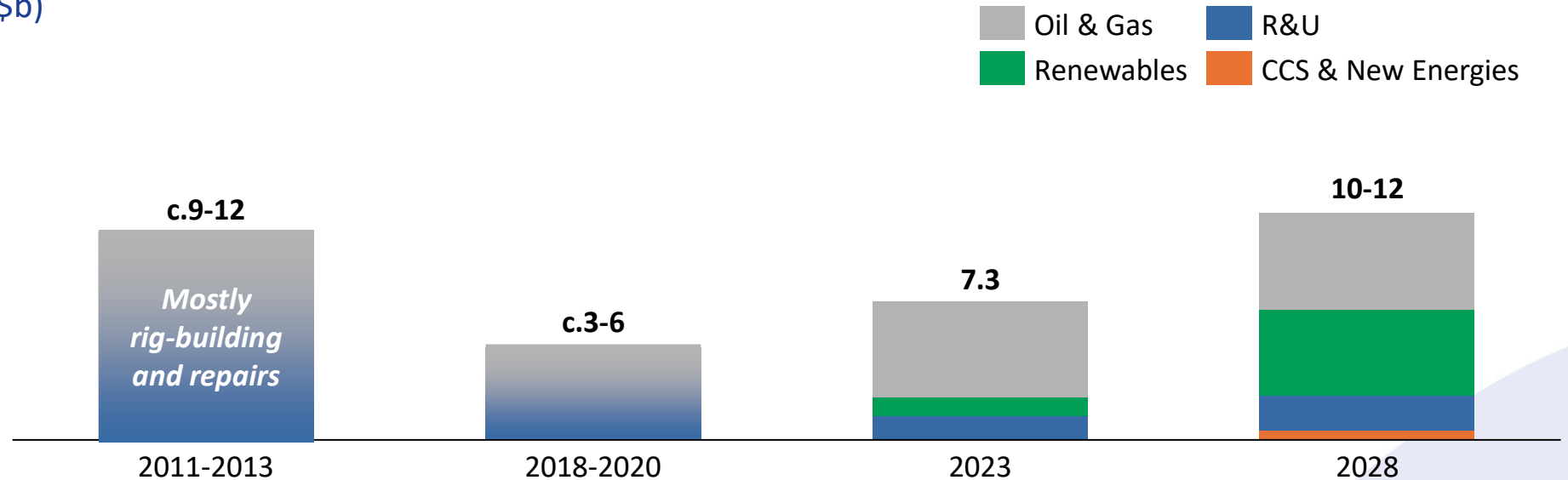
- Capability building and future-proofing
- Returns to shareholders



BUILDING A MORE RESILIENT PORTFOLIO WITH STRONG REVENUE GROWTH



REVENUE EVOLUTION (S\$b)



Strong revenue growth:

- Sharpen focus on prioritised segments
- Support from sector tailwinds
- Competitive advantages in key markets

Build a more resilient and diversified portfolio:

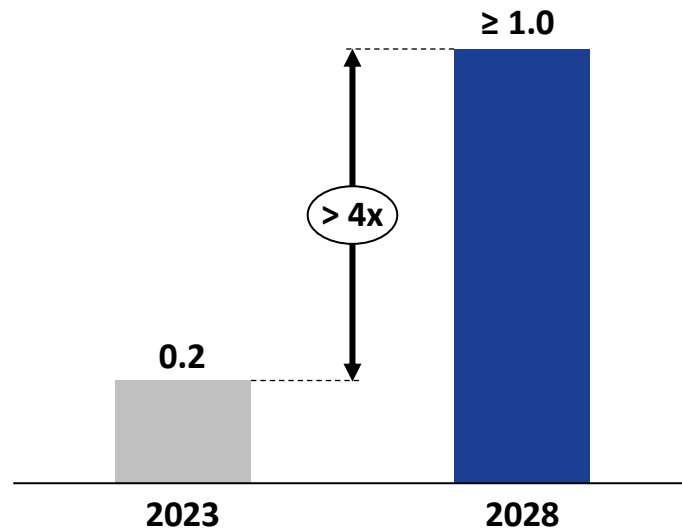
- More “green” products
- Increase share of Repairs & Upgrades baseload revenue
- Improve contract terms with shared risks and progressive milestone payments

OUR PATH TO ACHIEVING \geq S\$1.0b EBITDA AND \geq 8% ROE



IMPROVED PROFITABILITY...

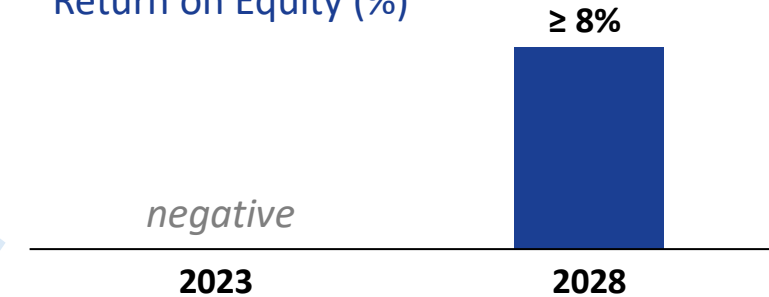
EBITDA (S\$b)



- Delivery of legacy projects
- Margin uplift
- Synergies & cost optimisation
- Asset base rationalisation

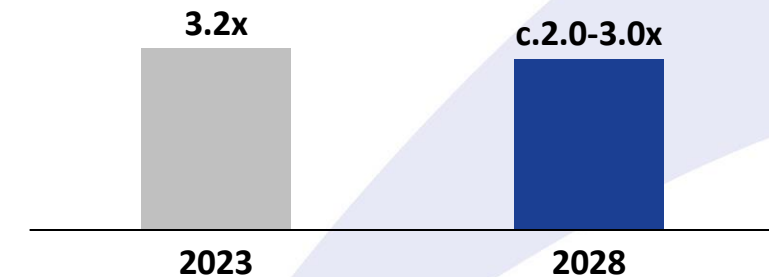
... ENABLES US TO DRIVE HIGHER RETURNS

Return on Equity (%)



... AND MAINTAIN A HEALTHY LEVERAGE

Net Debt/EBITDA (x)



IDENTIFIED SYNERGIES & SAVINGS, ON TRACK TO REALISE MORE



S\$300m

Annualised synergies & cost savings



S\$200m

Procurement savings

- **Recurring synergies and cost savings:**

- Standardised pricing with customers
- Reduction in corporate overheads
- Asset rationalisation

- **More efficient centralised procurement leading to improved project margins**

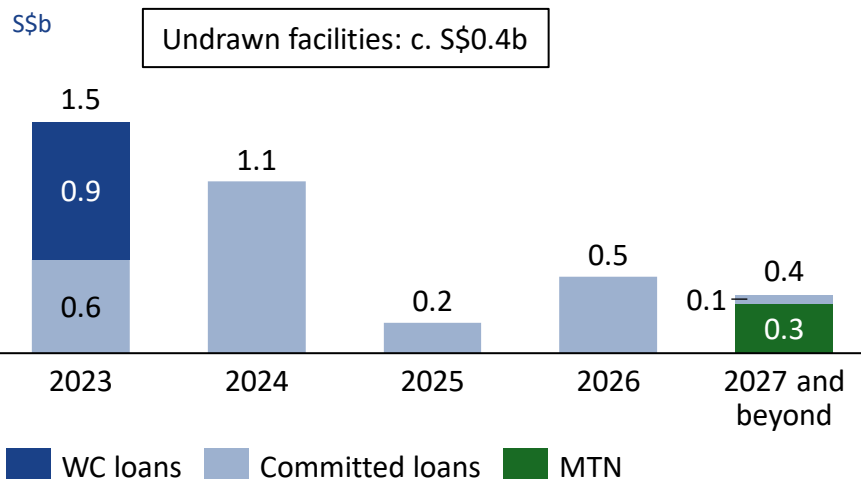
- Improved supply chain management
- Better procurement efficiency

We continue to evaluate further initiatives for cost savings and synergies

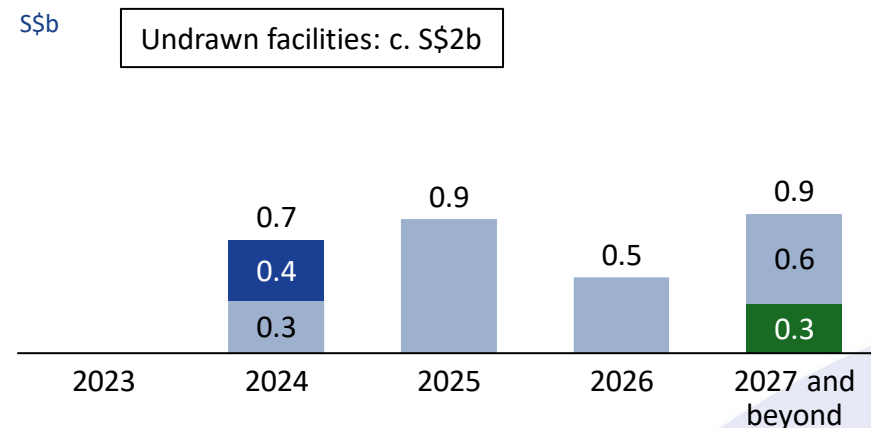
RECALIBRATED DEBT AND IMPROVED LIQUIDITY



PRE-REFINANCING DEBT MATURITY PROFILE AT JUN 2023



POST-REFINANCING DEBT MATURITY PROFILE AT DEC 2023



- Secured **>S\$3.5b** in new loans, refinancing and trade financing
- Replaced short-term working capital loans with **more flexible and committed instruments**
- Undrawn facilities increased to **c. S\$2b**
- Average loan maturity **extended by c. 2 years to 2026+**

BUILDING A STRONGER BALANCE SHEET AND OPTIMAL CAPITAL STRUCTURE



2023

- ✓ Refinanced and secured bank loans; onboarded new lenders
- ✓ Recalibrated debt maturity profile and enhanced liquidity
- ✓ Improved net leverage (Net debt/EBITDA) to 3.2x
- ✓ Increased green and sustainability-linked financing

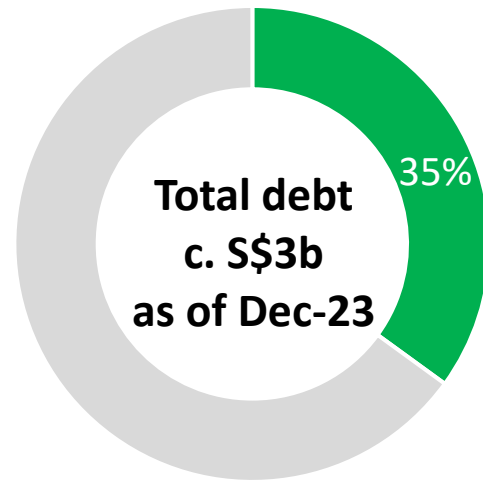


2028

- Diversify funding sources and access capital markets
- Target 50% of total funding to be green and/or sustainability-linked
- Maintain strong credit profile with net leverage c.2.0-3.0x

GREEN & SUSTAINABILITY-LINKED FINANCING

Our greener orderbook enables sustainability-linked financing to support project execution and ESG targets



■ Sustainability-linked / green



c. **S\$2b** undrawn credit facilities, **20%** of which are sustainability-linked / green



Target 50%

of borrowings to be sustainability-linked / green to anchor our ESG commitments

CAPITAL ALLOCATION AND FUNDING SOURCES



CAPITAL ALLOCATION

- **Invest to strengthen capabilities** in yards, AI and digitalisation for growth and greater productivity
- **Pursue targeted acquisitions** to accelerate development in new areas
- **Increase returns for shareholders** through dividends and/or share buybacks

FUNDING SOURCES

- **Diversify lender base and access capital markets** for funding and working capital needs
- **Enhance cash flow** through executing higher quality orderbook and proactive cash management
- **Recycle capital** for redeployment by monetising non-core assets and IP

KEY TAKEAWAYS



WE HAVE **CLEAR FINANCIAL TARGETS** AND **PATH TO PROFITABILITY**, THROUGH A COMBINATION OF **TOPLINE GROWTH** AND **COST OPTIMISATION**



WE HAVE A **STRONGER BALANCE SHEET** WITH **HEALTHY DEBT MATURITY PROFILE** AND **IMPROVED LIQUIDITY**, SUPPORTED BY **GREEN FINANCING**



WE WILL CONTINUE TO PROGRESS TOWARDS OUR VISION, **ENHANCE OUR INVESTMENT PROFILE** AND **DELIVER TOTAL SHAREHOLDER RETURNS**

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