



**sembcorp
marine**

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Sembcorp Marine signs letter of intent with SeaOne for the construction of large Compressed Gas Liquid carriers

SINGAPORE, September 18, 2017 – Sembcorp Marine subsidiary Sembcorp Marine Specialised Shipbuilding Pte. Ltd. and SeaOne Caribbean LLC (SeaOne) of Houston, Texas, USA, have inked a letter of intent (LOI) for the design and construction of at least two large Compressed Gas Liquid (CGL[®]) carriers. These vessels will be deployed for SeaOne's Caribbean Fuels Supply Project.

Sembcorp Marine will provide a unique design for the neo-panamax CGL carriers based on SeaOne's single gas and liquids cargo delivery requirements. The design will incorporate proprietary ship component ideas from Sembcorp Marine subsidiary LMG Marin, a leading naval architect and ship design house in Europe.

Front-end engineering design (FEED) studies for the project are in progress.

The 366m long, 2 billion cubic feet (Bcf) capacity carriers will be equipped with SeaOne's patented CGL[®] technology and systems. They will transport CGL cargos to receiving terminals in the Caribbean, Central and South American regions, from a CGL production facility now under construction at the Port of Gulfport in Mississippi, USA.

The SeaOne CGL containment system operates independently within insulated cargo holds maintained at -40°C, and is not integral to the vessel design. The containment system is 100% full in transit, not subject to sloshing and boil-off, and does not retain a gas blanket after the CGL cargo is offloaded.

The CGL carriers will run on IMO Tier III diesel engines with a maximum sailing speed of 20 knots. They will be ABS-classed and under the Marshall Islands flag.

"Sembcorp Marine is very excited to partner with SeaOne on the CGL carrier project," Sembcorp Marine Head of Specialised Shipbuilding Freddie Woo said. "By combining our respective expertise, I believe this collaboration will result in high-performing vessels that set the standards for CGL cargo transportation."

SeaOne President and COO Dr. Bruce Hall said: "SeaOne has been working with Sembcorp Marine management and engineers for a while now. We have found them to be a proactive company that listens to new ideas in the gas and liquids marine transportation business and provides constructive inputs on the design of the large CGL transportation vessels. We are pleased to have Sembcorp Marine and its affiliates as part of the project."

The signing of the LOI for the CGL carriers is a major milestone in the ongoing development and implementation of SeaOne's extensive Caribbean Fuels Supply Project. This project is undertaken to develop an environmentally-friendly, lowest cost, and safe means of transporting gas and gas liquids together as a single cargo.

"The Caribbean Fuels Supply Project is certainly an industry game-changer," SeaOne Chairman and CEO Forrest Hoglund said. "Supported by the Sembcorp Marine-built large

CGL carriers, it will, for the first time, provide to the region the lowest cost of fuel while reducing emissions substantially. This will have a significant positive impact on current socio-economic benefits to the region.”

None of the directors or controlling shareholders of Sembcorp Marine have any interest, direct or indirect, in the above transaction.

The signing of the LOI is not expected to have any material impact on the net tangible assets and earnings per share of Sembcorp Marine for the financial year ending 31 December 2017.



Artist's impression of the 2 Bcf capacity CGL carrier designed by Sembcorp Marine

To download the image, please click [here](#).

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About Sembcorp Marine

Sembcorp Marine provides innovative engineering solutions, products and services to the global offshore, marine and energy industries, drawing upon more than 50 years of track record. We focus on four key capabilities, namely, Rigs & Floaters; Repairs & Upgrades; Offshore Platforms; and Specialised Shipbuilding.

Our customers include major oil companies, drilling contractors, shipping companies as well as owners and operators of floating production units.

We operate shipyards strategically located in Singapore, Indonesia, the United Kingdom and Brazil.

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