



Company Registration Number: 196300098Z

REVISED PURCHASE PRICE FOR ACQUISITION OF SEVAN MARINE INTELLECTUAL PROPERTY RIGHTS

Singapore, July 6, 2018: Sembcorp Marine Ltd (the “Company”) refers to the announcement on 8 June 2018 about its wholly-owned subsidiary, Sembcorp Marine Integrated Yard Pte. Ltd. (“SMIY”), entering into a sale and purchase agreement (“SPA”) with Norway’s Sevan Marine ASA (“Sevan Marine”) for:

- the acquisition of the latter’s interests and title to all its intellectual property;
- the acquisition of a 95% equity interest in HiLoad LNG AS, a Sevan Marine subsidiary holding certain intellectual property rights;
- the takeover of all operating and associated costs, including unexpired leases, in maintaining Sevan Marine's three office locations; and
- the transfer of 26 Sevan Marine employees (subject to their acceptance)

at a consideration of US\$28 million (the “Proposed Transaction”).

Sevan Marine has scheduled their extraordinary general meeting on 6 July 2018 to obtain approval for the Proposed Transaction.

After further negotiations with several Sevan Marine shareholders, the Company agreed to revise the Purchase Price from US\$28 million to US\$39 million.

As part of the revision of the Purchase Price, Sevan Marine will not have a right to terminate the Proposed Transaction in respect of any alternative offer.

The revised consideration of US\$39 million was agreed between the parties on a willing-buyer and willing-seller basis after taking into consideration the net book value of approximately US\$1million as at 31 May 2018.

The Company will fund the revised consideration through a combination of internal funds and bank financing.

Assuming the Proposed Transaction had been completed on 31 December 2017, being the end of the most recently completed financial year of the Group, the financial effects on the consolidated NTA of the Group as at 31 December 2017 are as follows:

	Before Proposed Transaction	After Proposed Transaction
NTA (S\$'000)	2,298,972	2,245,958
No. of Issued Shares ('000)	2,087,910	2,087,910
NTA per share (cents)	110.1	107.6

Assuming the Proposed Transaction had been completed on 1 January 2017, being the beginning of the most recently completed financial year of the Group, the financial effects on the consolidated earnings of the Group for FY 2017, calculated based on net profit attributable to owners of the Company, are as follows:

	Before Proposed Transaction	After Proposed Transaction
Profit after tax attributable to Shareholders (S\$'000)	14,076	8,504
Weighted average no. of Issued Shares ('000)	2,089,523	2,089,523
EPS – basic (cents)	0.67	0.41
EPS – diluted (cents)	0.67	0.41

Relative Figures under Chapter 10 of the Listing Manual

Relative Figures under Chapter 10 of the Listing Manual for the Proposed Transaction computed on the bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”), using the latest consolidated financial statements ended 31 March 2018, are as follows:

(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets.	Not Applicable
(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits.	(3.3)%, based on: <ul style="list-style-type: none"> i. the net loss attributable to HiLoad shares being acquired, of approximately S\$0.2 million; and ii. the Company's latest consolidated net profits of S\$6.1 million
(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	1.3%, based on: <ul style="list-style-type: none"> i. consideration of US\$39 million (S\$52.5 million); and ii. market capitalisation of S\$4,115.5 million as at 5 July 2018
(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not Applicable

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

For further information, please contact:

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About Sembcorp Marine

Sembcorp Marine provides innovative engineering solutions 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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