



Company Registration Number: 196300098Z

## **DIVESTMENT OF INTEREST IN JOINT VENTURE COMPANY**

**Singapore, 9 October 2019** – Sembcorp Marine Ltd (the “Company” or “SCM”) wishes to announce that Dolphin Shipping Company Pte Ltd, a wholly-owned subsidiary of SCM, has executed an agreement to dispose of its entire holding of 250,000 ordinary shares (“Sale Shares”), representing a 50% shareholding interest in the capital of Pacific Workboats Pte Ltd (“PWPL”) to PACC Offshore Services Holdings Ltd (“POSH”) for an aggregate consideration of US\$679,464 (approximately S\$937,660) (the “Divestment”).

PWPL offers harbour services in Singapore and across the region. POSH is an existing 50% shareholder of PWPL.

The Divestment is conditional upon the distribution of dividends (the “Dividends Distribution”) of US\$34 million to each shareholder, to be undertaken by PWPL prior to the completion of the Divestment. The Dividends Distribution will be satisfied through a distribution of assets, comprising primarily of vessels. The Divestment is expected to complete by end 2019, following which PWPL will cease to be a joint venture of SCM.

SCM is divesting its interest in PWPL as part of SCM’s plan to renew and operate its tugboat fleet based on the Company’s own proprietary LNG-hybrid tug designs.

The consideration for the Divestment is on a willing buyer, willing seller basis taking into account the current net asset value (after adjusting for the Dividends Distribution) of the Sale Shares of US\$543,267 (approximately S\$749,708).

The Divestment is not a disclosable transaction for purposes of Chapter 10 of the Listing Manual. The Divestment is also not expected to have a material impact on the earnings per share and net tangible assets per share of the Company for the financial year ending 31 December 2019.

None of the directors or the controlling shareholders of the Company have any interests, direct or indirect, in the Divestment other than through their shareholdings (if any) in the Company.