



Company Registration Number: 196300098Z

## ENTRY INTO FACILITY AGREEMENT BY SUBSIDIARY ESTALEIRO JURONG ARACRUZ LTDA (“EJA”)

**Singapore, 5 June 2020** – Sembcorp Marine Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, Estaleiro Jurong Aracruz Ltda (“**EJA**”), has entered into a Revolving Facility Agreement for up to US\$500 million, with Standard Chartered Bank (Singapore) Limited acting as Original Lender, Arranger and Agent (“**Facility Agreement**”). The Facility Agreement is guaranteed by the Company.

Pursuant to Rule 704(31) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company also wishes to announce that the Facility Agreement contains the following condition which makes reference to the shareholding interests of Sembcorp Industries Ltd in the shares of the Company.

Under the Facility Agreement, a “Change of Control” includes an event where Sembcorp Industries Ltd ceases to be (or enters into any arrangement whereby, or announces that, it will cease to be) the majority shareholder of the Company (i.e. where it ceases to own (directly or indirectly) more than 50% of the issued share capital of the Company).

If a Change of Control occurs, the Agent shall be promptly informed and parties shall enter into negotiations to review the terms of the Facility Agreement and related documents. If parties fail to reach an agreement in relation to any amendments, waivers and/or consents required to the Facility Agreement and related documents within 30 days, the Lender may require the Agent to cancel the commitment of the Lender and declare the participation of that Lender in all outstanding loans, together with accrued interests, and all other amounts accrued in relation to that Lender’s participation due and payable within 20 business days. For the avoidance of doubt, the foregoing is a prepayment event under the Facility Agreement, and does not itself constitute a breach or an event of default under the Facility Agreement.

As of the date of this announcement, the level of loan and trade facilities (including bank guarantees and letters of credit) of the Group that may be affected by the occurrence of a “Change of Control” (assuming such an event leads to a cross default of the relevant banking facilities of the Group) amounts to approximately S\$6,025 million (excluding interest, amounts which have not been drawn down, the facility which is the subject matter of this announcement and any termination amount that may be payable or receivable by the Group pursuant to an early termination of any foreign exchange hedging transaction).